

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG

ELECTRIC LOGS

E X

WATER SANDS

LOCATION INSPECTED

SUB. REPORT/abd.

961202 Location Abandoned

DATE FILED OCTOBER 2, 1995

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

INDIAN #

DRILLING APPROVED: OCTOBER 31, 1995

14-20-H62-4679

SPUDDED IN:

COMPLETED: 12/2/96 LA PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 12/2/96 LA'D

FIELD: UNDESIGNATED

UNIT:

COUNTY: UINTAH

WELL NO. UTE TRIBAL 26-6-B

API NO. 43-047-32475

LOCATION

1019 FNE FT. FROM (N) (S) LINE. 2061 FEL

FT. FROM (E) (W) LINE.

NW NE

1/4 - 1/4 SEC. 26

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

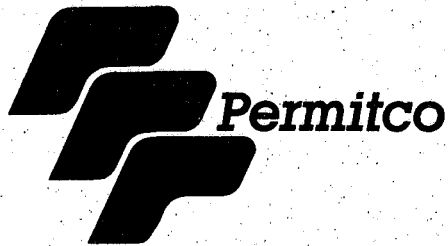
OPERATOR

4S

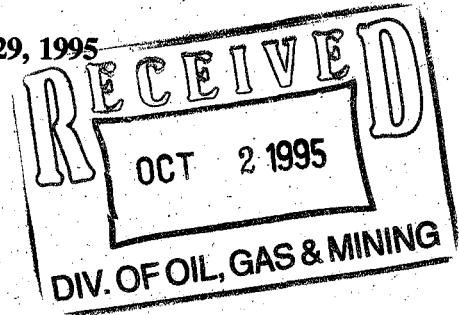
1E

26

SNYDER OIL CORPORATION



September 29, 1995



Bureau of Land Management
170 S. 500 E.
Vernal, UT 84078

Attn: Minerals

Re: Snyder Oil Corporation
Ute Tribal #26-6-B
NW NE Sec. 26, T4S - R1E
Uintah County, Utah
Lease No. 14-20-H62-4679

Dear Ladies & Gentlemen:

Enclosed please find four copies of the Application for Permit to Drill and associated Onshore Order No. 1 on the above mentioned well. Additional copies of this application has also been forwarded to the Ute Tribe and the BIA in Ft. Duchesne, Utah for their review.

If you should need additional information, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Snyder Oil Corporation

Enc.

cc: Snyder Oil Corporation
Ute Tribe - Ft. Duchesne, UT
BIA - Ft. Duchesne, UT
Division of Oil, Gas & Mining, SLC, UT

Permitco Incorporated
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

CONFIDENTIAL - TIGHT HOLE

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 2 1995
DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐

1b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐

SINGLE ZONE ☒ MULTIPLE ZONE ☐

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4679

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Uintah & Ouray Ute

7. FARM OR LEASE NAME

N/A

8. FARM OR LEASE NAME

Ute Tribal

2. NAME OF OPERATOR 303/592-8500 1625 Broadway, Suite 2200
Snyder Oil Corporation Denver, CO 80202

3. ADDRESS OF OPERATOR 303/452-8888 13585 Jackson Drive
PERMITCO INC. - Agent Denver, CO 80241

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)

At Surface 1019' FNL and 2061' FEL
At proposed Prod. Zone NW NE Sec. 26, T4S - R1E

9. WELL NO.

#26-6-B

10. FIELD AND POOL OR WILDCAT

Unnamed

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Sec. 26, T4S - R1E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approx. 14.4 miles southeast of Ft. Duchesne, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

1019'

16. NO. OF ACRES IN LEASE

560 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL,
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

Approx. 950'

19. PROPOSED DEPTH

6275'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5079'

22. APPROX. DATE WORK WILL START*

Upon Approval of APD.

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT/FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-------------|---------------|-------------------------------|
| 12-1/4" | 9-5/8" | 36# | 300' | 225 sx circ to surf |
| 7-7/8" | 5-1/2" | 15.5# | 6275' | 675 sx suffic. to cover zones |

of interest.

Snyder Oil Corp. proposes to drill a well to 6275' to test the Green River formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL - TIGHT HOLE

Please be advised that Snyder Oil Corp. is considered to be the Operator of the above mentioned well. Snyder Oil Corp. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Snyder Oil Corp. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Snyder Oil Corp. under their Nationwide Bond # WY-2272.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] CONSULTANT FOR: Snyder Oil Corporation

09/29/95

(This space for Federal or State office use)

PERMIT NO. 43-047-32475

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

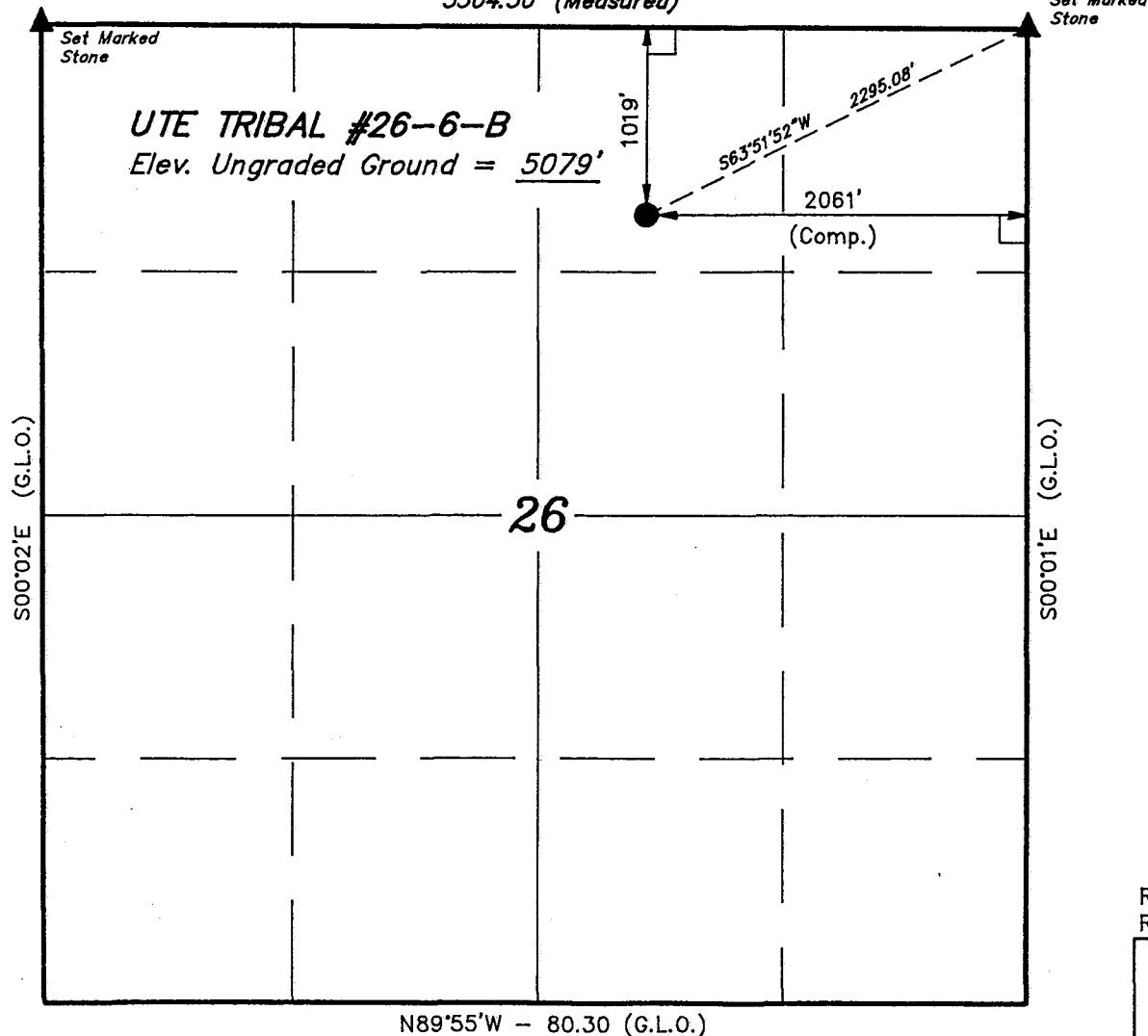
TITLE Petroleum Engineer DATE 10/31/95

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T4S, R1E, U.S.B.&M.

N89°47'W - G.L.O. (Basis of Bearings)
5304.30' (Measured)



UTE TRIBAL #26-6-B
Elev. Ungraded Ground = 5079'

26

LEGEND:

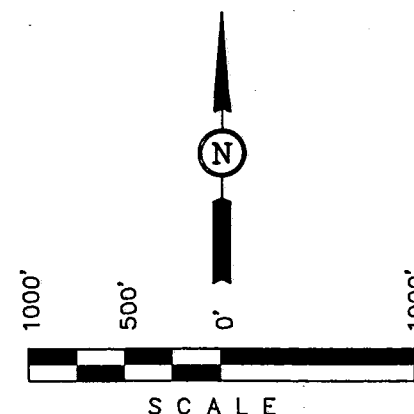
- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

SNYDER OIL CORP.

Well location, UTE TRIBAL #26-6-B, located as shown in the NW 1/4 NE 1/4 of Section 26, T4S, R1E, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M. TAKEN FROM THE UTELAND BUTTE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5188 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Ray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 1613
STATE OF UTAH

REVISED: 9-15-95 D.R.B.
REVISED: 8-31-95 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

| | | |
|---------------------------|---------------------------|------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 4-14-95 | DATE DRAWN: 4-17-95 |
| PARTY B.B. J.B. C.B.T. | REFERENCES G.L.O. PLAT | |
| WEATHER WINDY | FILE SNYDER OIL CORP. | |

CONFIDENTIAL - TIGHT HOLE

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

Form approved,
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 2 1995
DIV OF OIL, GAS & MINING
PLUG BACK

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-4679 | | | | | | | | | | | | | | | | |
|---|----------------|--|---------------|--|----------------|-------------|---------------|--------------------|---------|--------|-----|------|---------------------|--------|--------|-------|-------|--|
| 1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | 6. IF INDIAN ALLOTTEE OR TRIBE NAME Uintah & Ouray Ute | | | | | | | | | | | | | | | | |
| 2. NAME OF OPERATOR Snyder Oil Corporation | | 7. UNIT AGREEMENT NAME N/A | | | | | | | | | | | | | | | | |
| 3. ADDRESS OF OPERATOR 303/592-8500 1625 Broadway, Suite 2200 303/452-8888 13585 Jackson Drive PERMITCO INC. - Agent Denver, CO 80241 | | 8. FARM OR LEASE NAME Ute Tribal | | | | | | | | | | | | | | | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At Surface 1019' FNL and 2061' FEL At proposed Prod. Zone NW NE Sec. 26, T4S - R1E | | 9. WELL NO. #26-6-B | | | | | | | | | | | | | | | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 14.4 miles southeast of Ft. Duchesne, UT | | 10. FIELD AND POOL OR WILDCAT Unnamed | | | | | | | | | | | | | | | | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1019' | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 26, T4S - R1E | | | | | | | | | | | | | | | | |
| 16. NO. OF ACRES IN LEASE 560 acres | | 12. COUNTY OR PARISH Uintah | | | | | | | | | | | | | | | | |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 | | 13. STATE Utah | | | | | | | | | | | | | | | | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Approx. 950' | | 19. PROPOSED DEPTH 6275' | | | | | | | | | | | | | | | | |
| 20. ROTARY OR CABLE TOOLS Rotary | | 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5079' | | | | | | | | | | | | | | | | |
| 22. APPROX. DATE WORK WILL START* Upon Approval of APD. | | 23. PROPOSED CASING AND CEMENTING PROGRAM | | | | | | | | | | | | | | | | |
| <table border="1"><thead><tr><th>SIZE OF HOLE</th><th>SIZE OF CASING</th><th>WEIGHT/FOOT</th><th>SETTING DEPTH</th><th>QUANTITY OF CEMENT</th></tr></thead><tbody><tr><td>12-1/4"</td><td>9-5/8"</td><td>36#</td><td>300'</td><td>225 sx circ to surf</td></tr><tr><td>7-7/8"</td><td>5-1/2"</td><td>15.5#</td><td>6275'</td><td>675 sx suffic. to cover zones of interest.</td></tr></tbody></table> | | | | SIZE OF HOLE | SIZE OF CASING | WEIGHT/FOOT | SETTING DEPTH | QUANTITY OF CEMENT | 12-1/4" | 9-5/8" | 36# | 300' | 225 sx circ to surf | 7-7/8" | 5-1/2" | 15.5# | 6275' | 675 sx suffic. to cover zones of interest. |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT/FOOT | SETTING DEPTH | QUANTITY OF CEMENT | | | | | | | | | | | | | | |
| 12-1/4" | 9-5/8" | 36# | 300' | 225 sx circ to surf | | | | | | | | | | | | | | |
| 7-7/8" | 5-1/2" | 15.5# | 6275' | 675 sx suffic. to cover zones of interest. | | | | | | | | | | | | | | |

Snyder Oil Corp. proposes to drill a well to 6275' to test the Green River formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL - TIGHT HOLE

Please be advised that Snyder Oil Corp. is considered to be the Operator of the above mentioned well. Snyder Oil Corp. agrees to be responsible under the terms and conditons of the lease for the operations conducted upon the lease lands.

Snyder Oil Corp. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Snyder Oil Corp. under their Nationwide Bond # WY-2272.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] CONSULTANT FOR: Snyder Oil Corporation DATE 09/29/95
(This space for Federal or State office use)

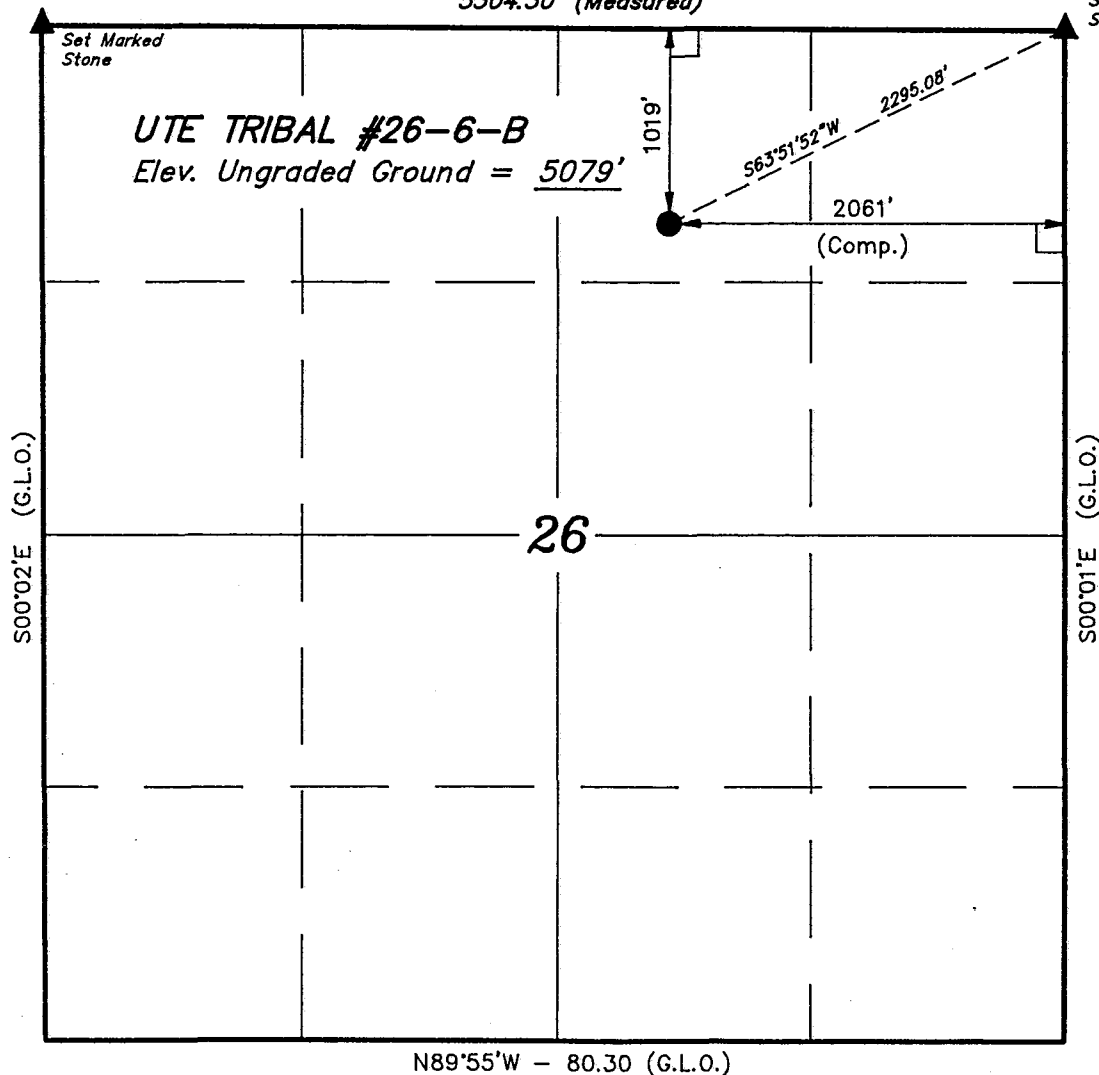
PERMIT NO. 43-047-32475 APPROVAL DATE 10/31/95
APPROVED BY [Signature] TITLE Attorney General
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any persn knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

T4S, R1E, U.S.B.&M.

N89°47'W - G.L.O. (Basis of Bearings)
5304.30' (Measured)



UTE TRIBAL #26-6-B
Elev. Ungraded Ground = 5079'

26

N89°55'W - 80.30 (G.L.O.)

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

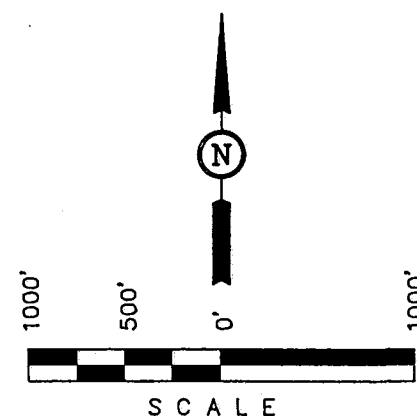
▲ = SECTION CORNERS LOCATED.

SNYDER OIL CORP.

Well location, UTE TRIBAL #26-6-B, located as shown in the NW 1/4 NE 1/4 of Section 26, T4S, R1E, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M. TAKEN FROM THE UTELAND BUTTE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5188 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Hays

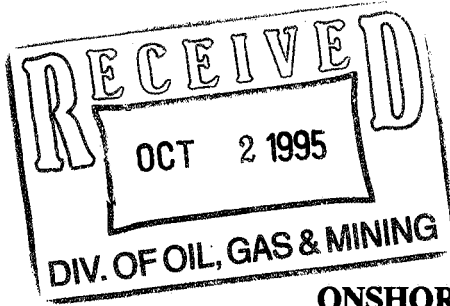
REGISTERED LAND SURVEYOR
REGISTRATION NO. 16137
STATE OF UTAH

REVISED: 9-15-95 D.R.B.
REVISED: 8-31-95 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

| | | |
|---------------------------|---------------------------|------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 4-14-95 | DATE DRAWN: 4-17-95 |
| PARTY B.B. J.B. C.B.T. | REFERENCES G.L.O. PLAT | |
| WEATHER WINDY | FILE SNYDER OIL CORP. | |

CONFIDENTIAL - TIGHT HOLE



ONSHORE OIL & GAS ORDER NO. 1

**Approval of Operations on Onshore
Federal and Indian Oil & Gas Leases**

**Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah**

Prepared For:

SNYDER OIL CORPORATION

By:

**PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888**

CONFIDENTIAL - TIGHT HOLE

Copies Sent To:

- 4 - BLM - Vernal, Utah**
- 1 - BIA - Uintah & Ouray Agency - Ft. Duchesne, UT**
- 1 - Ute Tribe - Ft. Duchesne, UT**
- 1 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 2 - Snyder Oil Corporation - Denver, CO**
- 1 - Snyder Oil Corporation - Vernal, UT**



Table of Contents
Ute Tribal #26-6-B

DRILLING PROGRAM

Page No.

| | | |
|----|---|-------|
| 1. | Formation Tops | 1 |
| 2. | Anticipated Depth of Oil, Gas & Water | 1 |
| 3. | Blow Out Preventor Requirements | 2-3 |
| 4. | Casing and Cement Program | 3-7 |
| 5. | Mud Program | 7-8 |
| 6. | Testing, Logging and Coring | 8-9 |
| 7. | Abnormal Pressures & H ₂ S Gas | 9 |
| 8. | Other Information & Notification Requirements | 10-12 |

SURFACE USE PLAN

| | | |
|-----|---|-------|
| 1. | Existing Roads | 2 |
| 2. | Access Roads to be Constructed or Reconstructed | 3 |
| 3. | Location of Wells Within 1-Mile | 4 |
| 4. | Proposed Production Facilities | 4-5 |
| 5. | Water Supply | 6 |
| 6. | Construction Materials | 6 |
| 7. | Waste Disposal | 6-7 |
| 8. | Ancillary Facilities | 7 |
| 9. | Wellsite Layout | 8-9 |
| 10. | Reclamation | 9-10 |
| 11. | Surface/Mineral Ownership | 10 |
| 12. | Other Information | 10-12 |
| 13. | Certification | 12-13 |



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM
Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

| <u>Formation</u> | <u>Depth</u> | <u>Subsea</u> |
|------------------|--------------|---------------|
| Uinta | Surface | |
| Green River | 2115' | +3000' |
| Garden Gulch | 4715' | + 400' |
| Douglas Creek | 5465' | - 350' |
| Black Shale | 6080' | - 965' |
| Castle Peak | 6215' | -1100' |
| T.D. | 6275' | -1160' |

2. Estimated Depth of Anticipated Water, Oil, Gas or Other Mineral Formations

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Oil/Gas | Green River | 2115' |
| Oil/Gas | Douglas Creek | 5465' |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 2

3. Pressure Control Equipment: (Schematic Attached)

Snyder's minimum specifications for pressure control equipment are as follows:

Ram Type: Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Snyder Oil Corporation**Ute Tribal #26-6-B****1019' FNL and 2061' FEL****NW NE Sec. 26, T4S - R1E****Uintah County, Utah****Lease No. U-14-20-H62-4679****DRILLING PROGRAM****Page 3**

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program:

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all



Permitco Incorporated
A Petroleum Permitting Company

relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 5

- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

- m. The proposed casing program will be as follows:

| <u>Purpose</u> | <u>Depth</u> | <u>Hole Size</u> | <u>O.D.</u> | <u>Weight</u> | <u>Grade</u> | <u>Type</u> | <u>New or Used</u> |
|----------------|--------------|------------------|-------------|---------------|--------------|-------------|----------------------------|
| Conductor* | 0-60' | 20" | 16" | Steel | | | |
| Surface | 0-300' | 12-1/4" | 9-5/8" | 36# | J-55 | ST&C | New |
| Produc. | 0-6275' | 7-7/8" | 5-1/2" | 15.5# | M-75 | LT&C | New |

*Note: Conductor is optional.

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

| <u>Conductor</u> | <u>Type and Amount</u> |
|------------------|---|
| 0-60' | Set with approximately five (5) cubic yards of Redi-Mix cement, circulated back to surface. |

| <u>Surface</u> | <u>Type and Amount</u> |
|----------------|---|
| 0-300' | + 225 sx of Class "G" cement w/additives, circulated back to surface. |

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 6

Production

Type and Amount

Lead: 345 sx of Pacesetter Lite cement plus additives.

Tail: 330 sx 50/50 Pozmix cement plus additives.

A sufficient quantity of cement will be utilized to achieve full coverage across the upper Green River Formation. Estimated top of cement = 1900'.

- p. The above cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole.
- q. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- r. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- s. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 7

- b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- t. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

5. Mud Program

- a. The proposed circulating mediums to be employed in drilling are as follows:

| <u>Interval</u> | <u>Mud Type</u> | <u>Mud Wt.</u> | <u>Visc.</u> | <u>F/L</u> |
|-----------------|-----------------|----------------|--------------|------------|
| 0-300' | Fresh Wtr./Gel | 8.8-9.3 | 28-35 | N/C |
| 300-6275' | Aerated Brine | 8.2-8.8 | 30-35 | +25 cc's |
| As needed | Salt Wtr./Gel | 9.2-9.8 | 30-45 | 15-25 cc's |

The drilling fluids system will consist of air/mist (with 3% KCL water as the base fluid) for as long and/or as deep as possible. Should hole conditions deteriorate prior to reaching total depth, an alternative drilling fluids system would be utilized consisting of a salt/gel mud (with 3% KCL water as the base fluid).

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 8

- b. Mud monitoring equipment to be used is as follows:
 - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if they are run the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 9

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of an FDC/CNL/GR/DLL (with GR to surface) from T.D. to 3500'. A Micro-SFL will be run from T.D. to 300'.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. No stimulation or frac treatment has been formulated for this test at this time. The drillsite, as approved, will be of sufficient size to accommodate all completion activities.

7. Abnormal Temperatures or Pressures

- a. No abnormal temperatures or pressures are anticipated. Hydrogen sulfide may be encountered at approximately 5400' and safety equipment will be in operation at 4900'. An H₂S Contingency Safety Plan is being prepared by an independent H₂S Safety Company and will be submitted under separate cover.
- b. Maximum anticipated bottom hole pressure equals approximately 3137 psi (calculated at 0.50 psi/foot) and maximum anticipated surface pressure equals approximately 1757 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft.).



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM
Page 10

8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling will commence on immediately upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 8 days.
- c. The BLM in Vernal, Utah shall be notified of anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 11

- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative. or the appropriate Surface Managing Agency.

Snyder Oil Corporation

Ute Tribal #26-6-B

1019' FNL and 2061' FEL

NW NE Sec. 26, T4S - R1E

Uintah County, Utah

Lease No. U-14-20-H62-4679

DRILLING PROGRAM

Page 12

- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.**

p. Notification of Operations:

Vernal District Office, Bureau of Land Management

Address: 170 South 500 East; Vernal, UT 84078

Phone: 801/789-1362

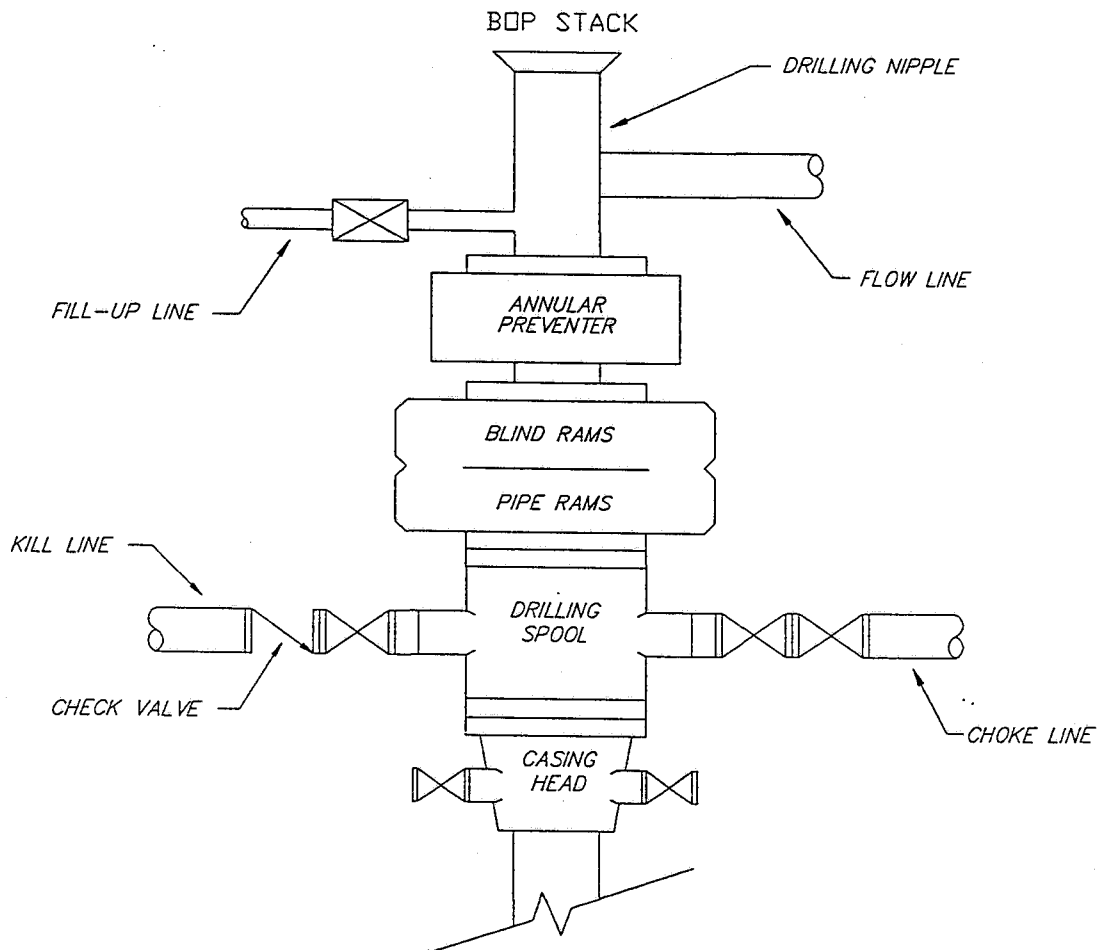
Fax: 801/781-4410

In the event after-hours approval are necessary, please contact one of the following individuals:

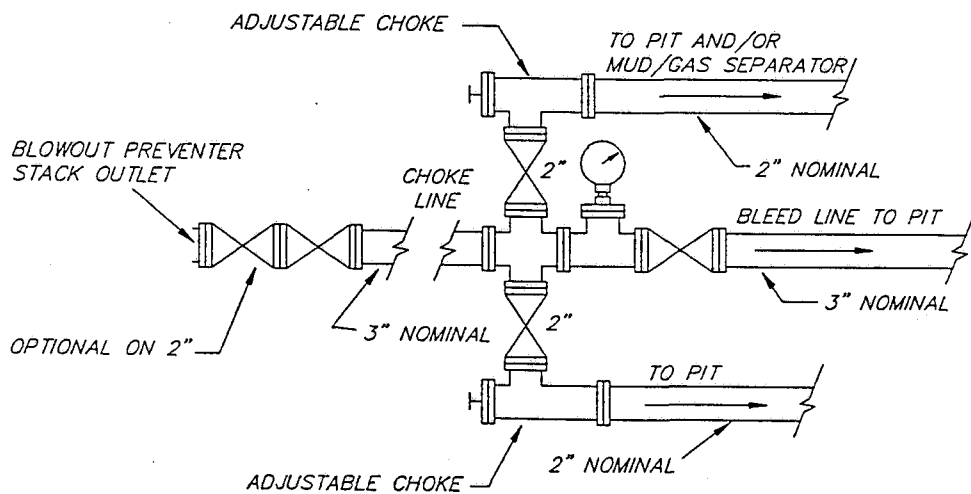
| | | |
|----------------------|---------------------------|---------------------|
| Wayne Bankert | Petroleum Engineer | 801/789-4170 |
| Ed Forsman | Petroleum Engineer | 801/789-7077 |

SNYDER OIL CORPORATION

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

- | | |
|--|---|
| Location Construction - | forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion - | prior to moving on the drilling rig. |
| Spud Notice - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing - | twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests - | twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice - | within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

The preliminary onsite inspection for the above mentioned well was conducted on Thursday, September 14, 1995 at approximately 3:00 p.m. Weather conditions were hot and sunny. Present at the onsite inspection were the following individuals:

Stan Olmstead
Dale Hanburg
Alvin Ignacio
Leo Tapoof
Jeff Smith
Lisa Smith
Robert Kay
Don Allred
Neil Hillis
Johnny Fossett

Bureau of Land Management
Bureau of Indian Affairs
Ute Tribe
Ute Tribe
Snyder Oil Corporation
Permitco Inc.
Uintah Engineering & Land Surveying
Uintah Engineering & Land Surveying
Uintah Engineering & Land Surveying
U & W Construction



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO.
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN
Page 2

Dan Iorge
Allen Justice
Brent Stubbs

U & W Construction
J-West
Stubbs & Stubbs Construction

The final onsite inspection was conducted on Wednesday, September 27, 1995 at approximately 1:15 p.m. In attendance at this onsite inspection were the following:

Stan Olmstead
Alvin Ignacio
Robert Kay

Dale Hanburg
Jeff Smith

1. Existing Roads

a. The proposed well site is located approximately 14.7 miles south of Fort Duchesne, Utah.

b. Directions to the location from Fort Duchesne, Utah are as follows:

Proceed in a southerly direction for approximately 4.0 miles. Turn right and proceed southerly an additional 2.4 miles. Turn right again and proceed south for 3.7 miles. Turn left and continue 2.0 miles. Turn right and proceed easterly and then southerly for 1.4 miles. Continue south for 0.9 miles to the Ute Tribal 26 #1 well. Turn left and follow the flagging 0.3 miles to the location.

c. For location of access roads within a 2-Mile radius, see Maps A & B.

d. Improvement to the existing access will not be necessary.

e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.



Permitco Incorporated
A Petroleum Permitting Company

Snyder Oil Corporation**Lease No. 14-20-H62-4679****Ute Tribal #26-6-B****1019' FNL and 2061' FEL****NW NE Sec. 26, T4S - R1E****SURFACE USE PLAN****Uintah County, Utah****Page 3****2. Planned Access Roads**

- a. Approximately 0.3 miles of new access will be required after leaving the Ute Tribal 26 #1.
- b. The maximum grade will be approximately 6%.
- c. Turnouts will be installed where necessary.
- d. No culverts or bridges will be required.
- e. Two low water crossings will be installed along the new portion of access.
- f. The access road was centerline flagged at the time of staking.
- g. Surface material will be that of native material.
- h. No gates, cattleguards or fence cuts will be necessary.
- i. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

**Permitco Incorporated**
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN

Page 4

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.
(See Map #C).

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - three
- d. Drilling wells - none
- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells - none
- h. Dry Holes - one

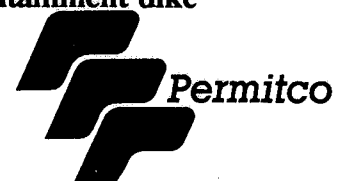
4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five (5) state Rocky Mountain Inter-Agency Committee.

All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act rules and regulations will be excluded from this painting requirement.

The required paint color is Desert Brown, Munsell standard color number 10 YR 6/3.

- b. Production from this well will be commingled with the Ute Tribal 26 #1 location. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN

Page 5

of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- e. Any necessary pits will be properly fenced to prevent any wildlife entry.
- f. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- g. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- h. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- i. The road will be maintained in a safe useable condition.
- j. All wellsite locations on the Uinta and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township and range).
- k. Permission is hereby requested to construct a 3" welded steel line which will be utilized to transport oil, gas and water to the central battery located in the SE NE of Section 26, T4S - R1E. The length of the proposed line is approximately 900 feet and is shown on Map "D". A mineral access agreement is attached to cover access roads and pipelines.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO.
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN

Page 6

5. Location and Type of Water Supply

- a. Fresh water for drilling will be obtained from the Duchesne River at a point located in the NW NW SW of Section 23, Township 3 South, Range 1 East of Uintah County, Utah. Water will be diverted from the Duchesne River under a purchase agreement between Snyder Oil Corporation and the Uintah and Ouray Ute Indian Tribes.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

6. Source of Construction Material

- a. Construction materials needed for surfacing of the wellpad will be native from location and/or access road.
- b. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate surface management agency.
- c. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials in the area.
- d. No construction materials will be required.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.



Permitco Incorporated
A Petroleum Permitting Company

- b. A reserve pit will be lined with either native clay, commercial bentonite or plastic sufficient to prevent seepage. (If a plastic nylon reinforced liner is used, it will be a minimum of 12 mil and shall be torn and perforated after the pit dries and before backfilling of the reserve pit.) No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

Snyder Oil Corporation**Lease No. 14-20-H62-4679****Ute Tribal #26-6-B****1019' FNL and 2061' FEL****NW NE Sec. 26, T4S - R1E****SURFACE USE PLAN****Uintah County, Utah****Page 8****9. Well Site Layout**

- a. The reserve pit will be located on the east side of the location.
- b. The flare pit will be located downwind of the prevailing wind direction on the southeast side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- c. No topsoil currently exists at this location, therefore, no topsoil will be salvaged.
- d. Access to the wellpad will be from the east as shown on the attached rig layout.
- e. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- f. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- g. All pits will be fenced according to the following minimum standards:
 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.

**Permitco Incorporated**
A Petroleum Permitting Company

5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- h. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three (3) feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

- e. The appropriate surface management agency should be contacted for the required seed mixture.



ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN

Page 10

Dry Hole

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attached the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

The well site and proposed access road are situated on tribal surface and minerals owned by the Uintah & Ouray Indian Tribes and administered in trust by:

Bureau of Indian Affairs
Uinta & Ouray Agency
P.O. Box 130
Ft. Duchesne, UT 84026
801/722-2406

12. Other Information

- a. A Class III archeological survey was conducted by Metcalf Archeological Consultants. A copy of this report is attached.
- b. Due to significant paleontological finds at the site, monitoring during construction will be required.
- c. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- d. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- e. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right of Way Authorization". All operators, subcontractors vendors and their employees



Snyder Oil Corporation**Ute Tribal #26-6-B****1019' FNL and 2061' FEL****NW NE Sec. 26, T4S - R1E****Uintah County, Utah****Lease No. 14-20-H62-4679****SURFACE USE PLAN****Page 12**

or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

- g. All roads constructed by operators on the Uinta and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products and (3) only authorized personnel permitted.
- h. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- i. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operator's Representative and Certification

Permit Matters**PERMITCO INC.****Lisa L. Smith****13585 Jackson Drive****Denver, CO 80241****303/452-8888****Drilling & Completion Matters****SNYDER OIL CORPORATION****1625 Broadway, Suite 2200****Denver, CO 80202****George Rooney****303/592-8500 (office)**

Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. 14-20-H62-4679

SURFACE USE PLAN


Page 13

Certification

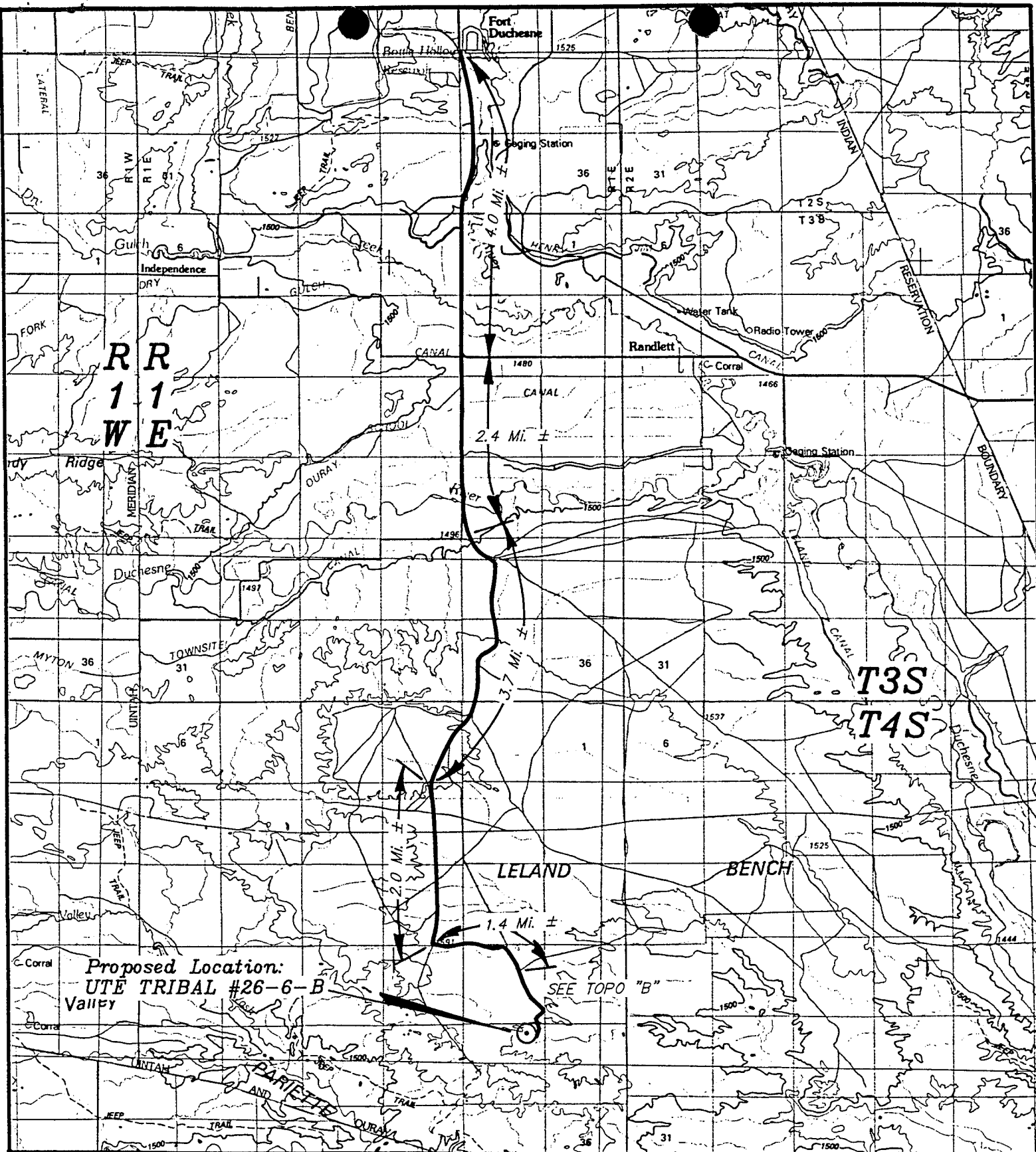
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Snyder Oil Corporation, its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

September 29, 1995
Date:



Lisa L. Smith - PERMITCO INC.
Authorized Agent for:
SNYDER OIL CORPORATION.



REVISED: 9-15-95 D.COX

TOPOGRAPHIC
MAP "A"

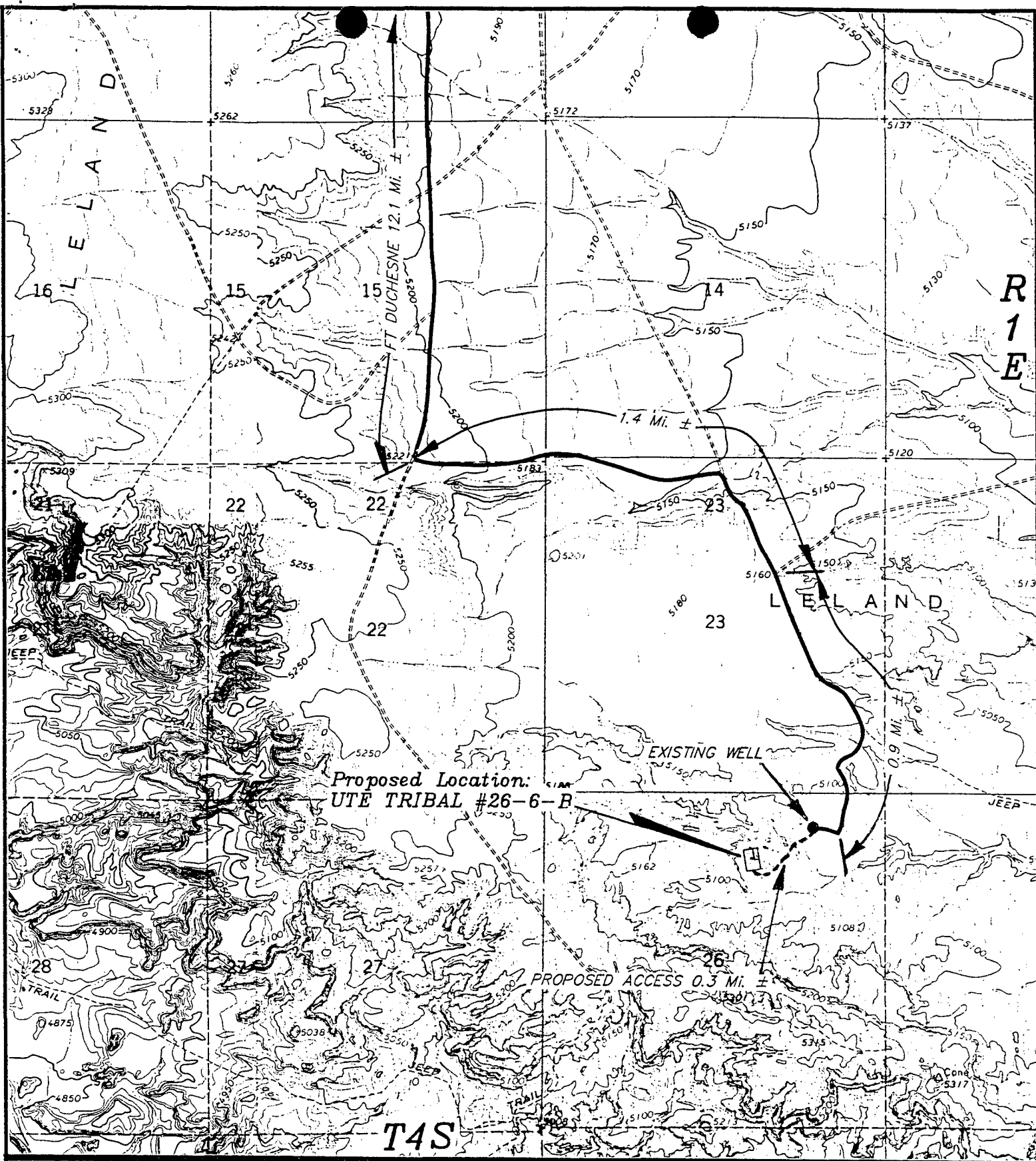
REVISED: 9-5-95 C.B.T.

DATE: 4/17/95 D.COX



SNYDER OIL CORP.

UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.
1019' FSL 2061' FEL



REVISED: 9-15-95 D.COX

TOPOGRAPHIC
MAP "B"

SCALE: 1"=2000'

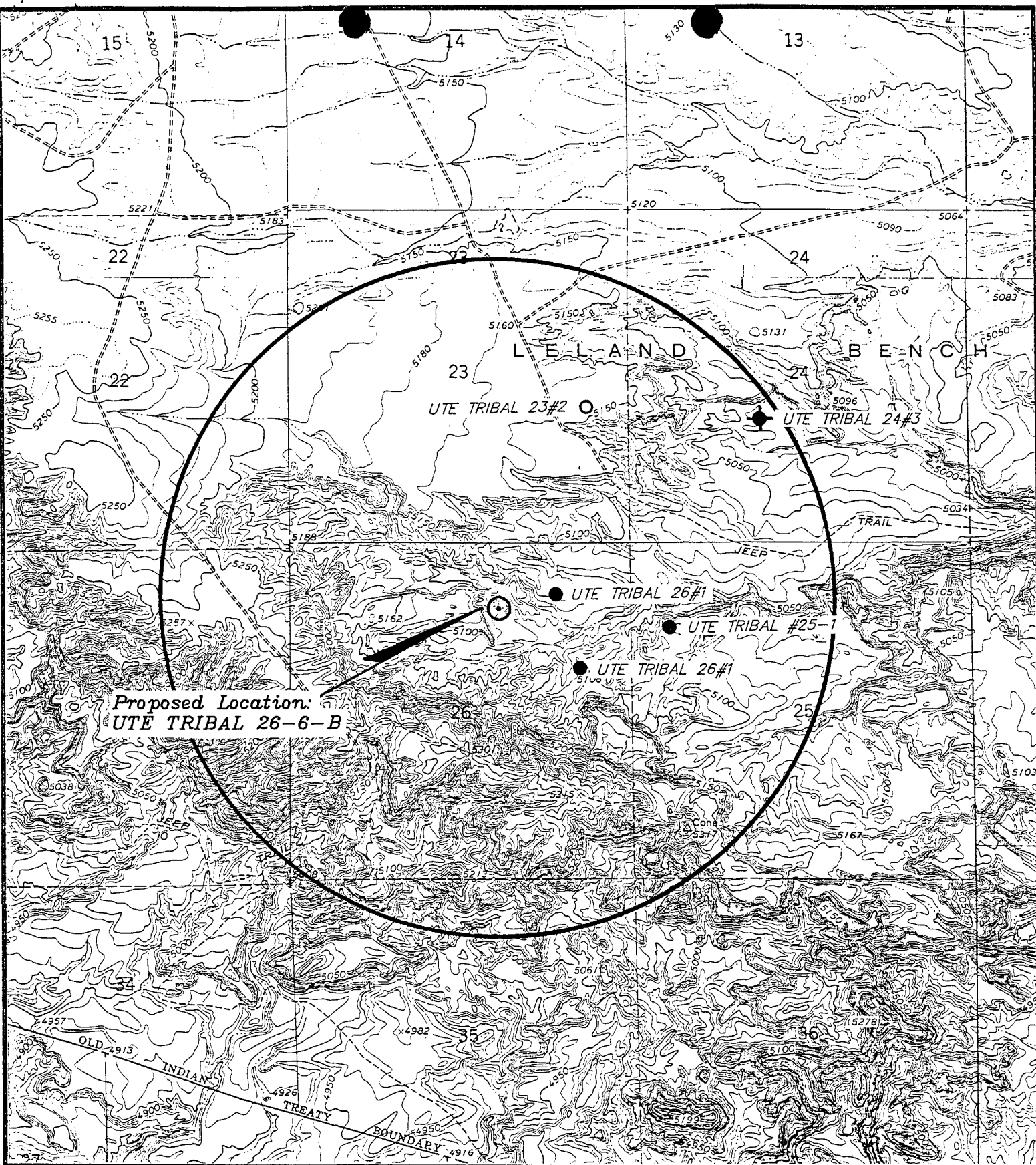
REVISED: 9-5-95 C.B.T.

DATE: 4/17/95 D.COX



SNYDER OIL CORP.

UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.
1019' FSL 2061' FEL



REVISED: 9-15-95 D.COX

LEGEND:

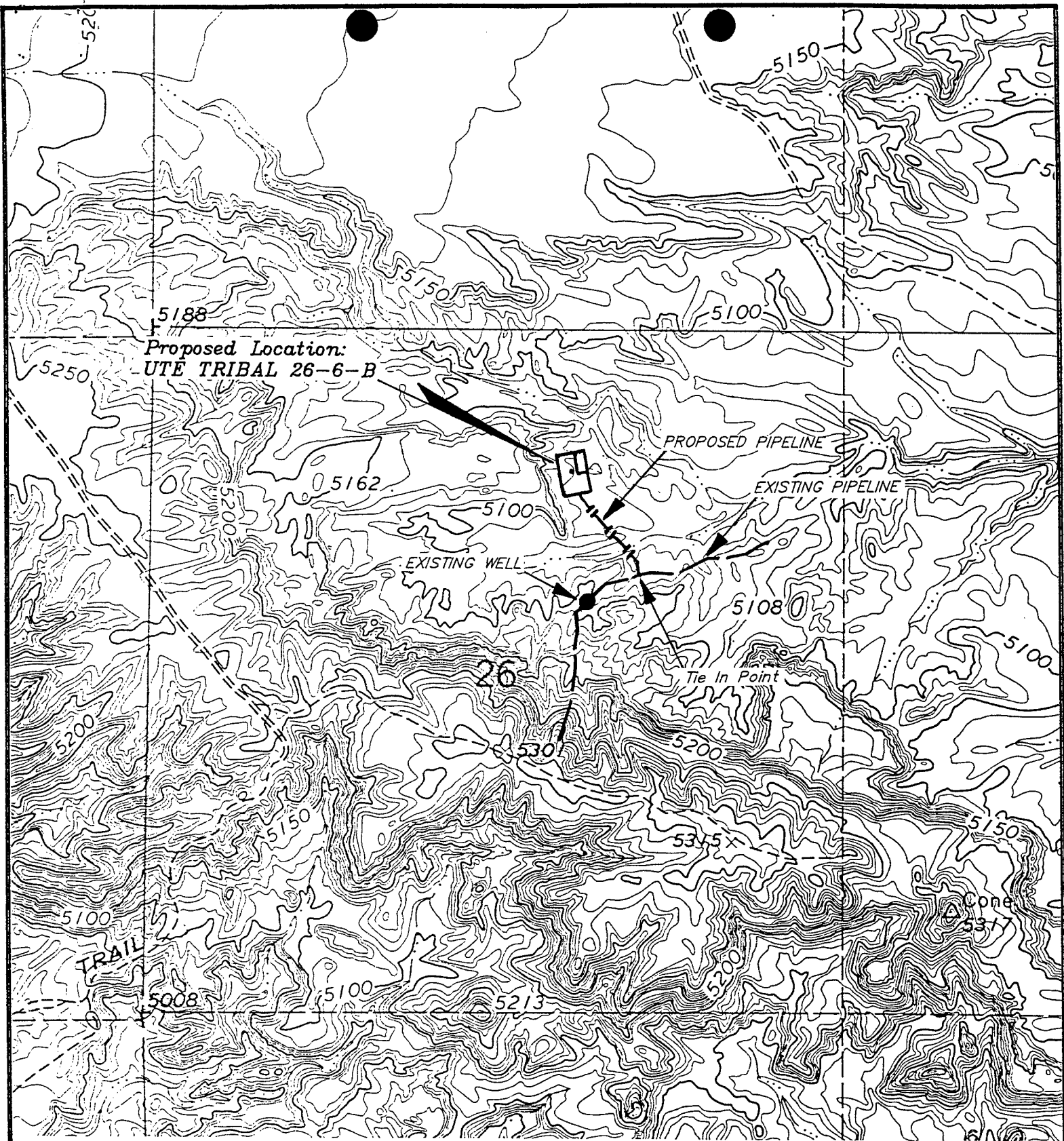
- ⊗ = Water Wells
- = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊗ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



SNYDER OIL CORP.

UTE TRIBAL 26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.
TOP O MAP "C"

DATE: 9-5-95 D.COX



APPROXIMATE PIPELINE DISTANCE = 900' ±

LEGEND:

----- EXISTING PIPELINE
-|-|-|-| PROPOSED PIPELINE

DATE: 9-15-95 D.COX



SNYDER OIL CORP.

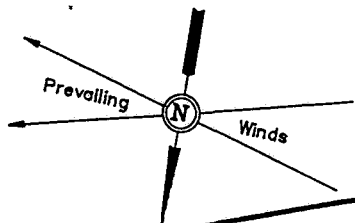
UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.
T O P O M A P " D "

SNYDER OIL CORP.

LOCATION LAYOUT FOR

UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.

1019' FNL 2061' FEL



SCALE: 1" = 50'
DATE: 9-15-95
Drawn By: D.R.B.

NOTE:

FLARE PIT IS TO BE LOCATED A MINIMUM OF 100' FROM THE WELL HEAD.

NOTE:
DO NOT DISTURB PALEO SITES & MONITOR DURING CONSTRUCTION.

El. 76.6'
C-10.2'
(Btm. Pit)

El. 76.4'
C-10.0'
(Btm. Pit)

PALEO SITE

Pit Capacity With
2' of Freeboard
is ± 2,990 Bbls.

Reserve Pit Backfill
& Spoils Stockpile

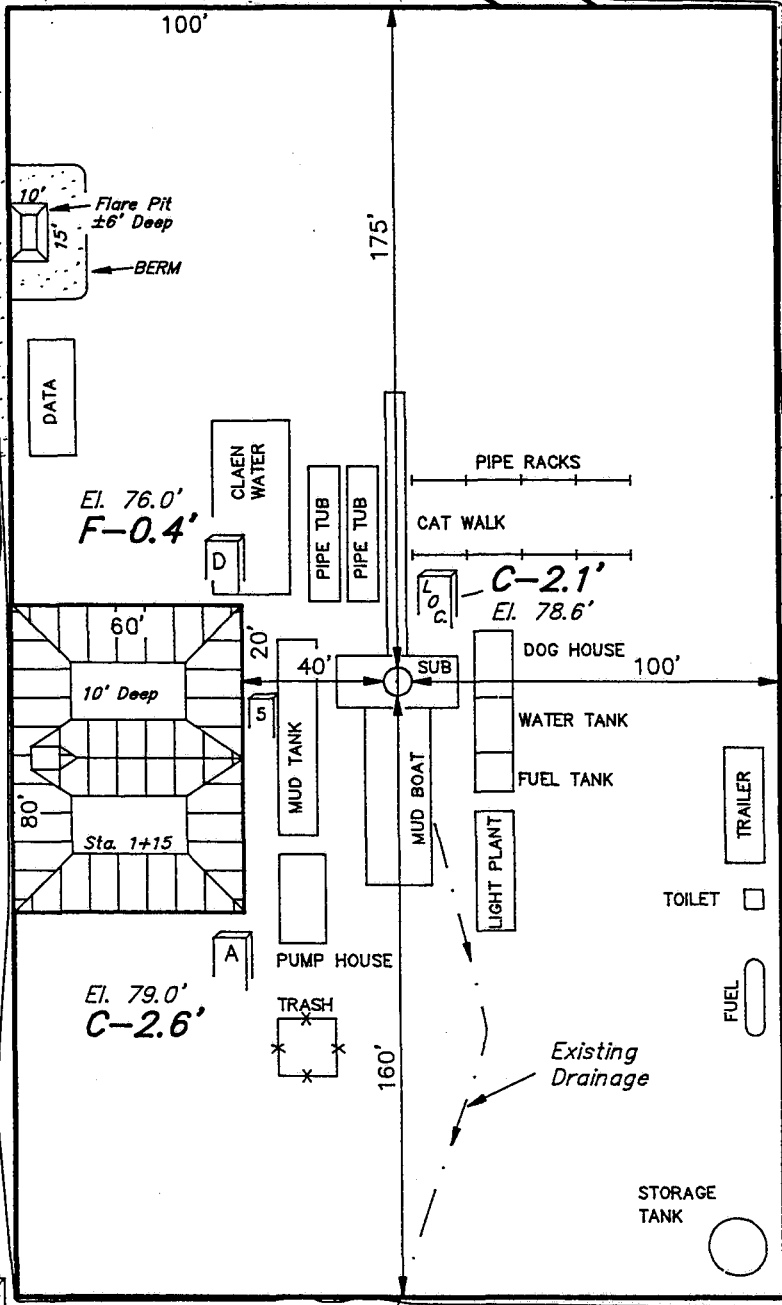


FIGURE #1

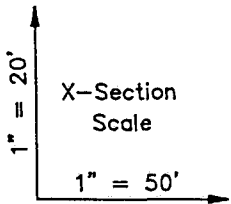
Elev. Ungraded Ground at Location Stake = 5078.6'
Elev. Graded Ground at Location Stake = 5076.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

SNYDER OIL CORP.

TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.
1019' FNL 2061' FEL



DATE: 9-15-95
Drawn By: D.R.B.

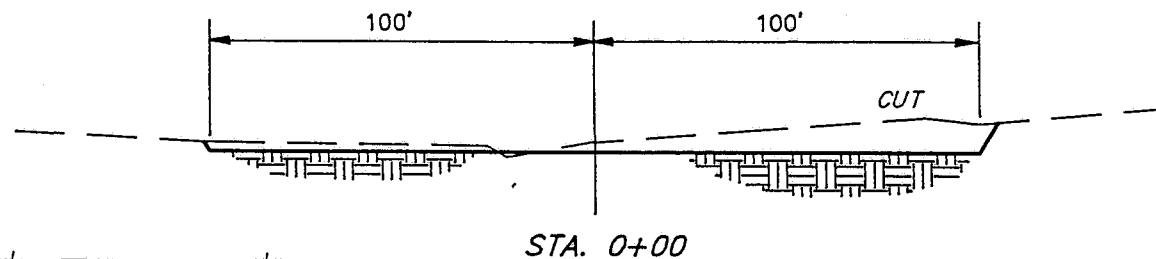
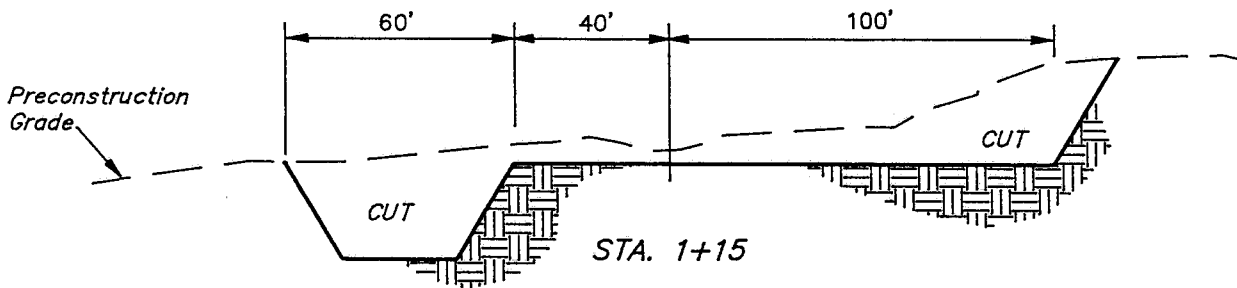
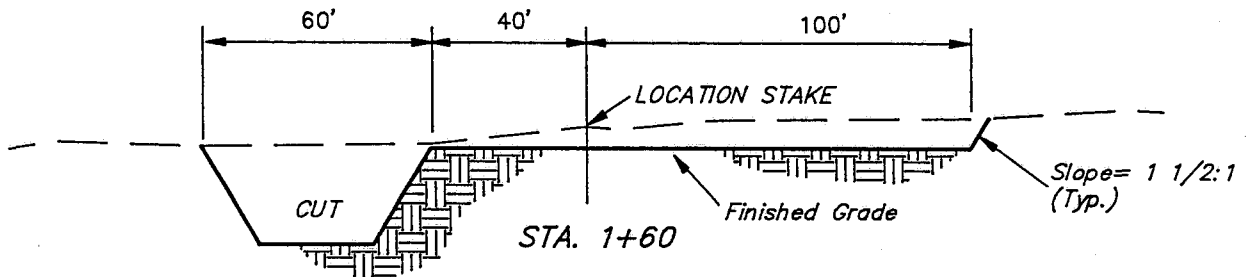
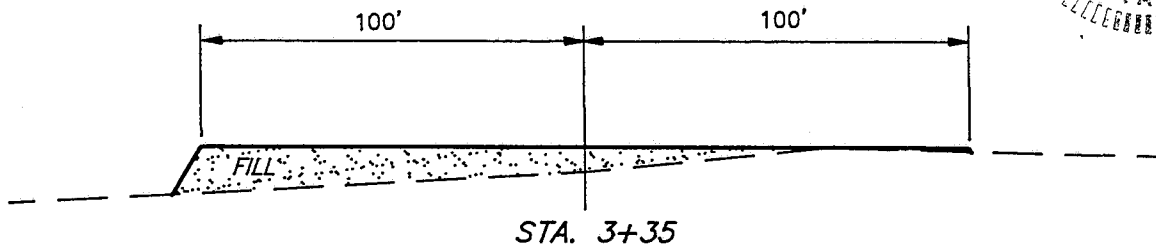


FIGURE #2

APPROXIMATE YARDAGES

CUT

Remaining Location = 3,130 Cu. Yds.

TOTAL CUT = 3,130 CU.YDS.

FILL = 2,530 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION

= 470 Cu. Yds.

Topsoil & Pit Backfill
(1/2 Pit Vol.)

= 470 Cu. Yds.

EXCESS CUT MATERIAL

= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

There are no federal stipulations at this time.



M A C
Metcalf Archaeological Consultants, Inc.

September 6, 1995

Mr. Jeff Smith
Snyder Oil & Gas
P. O. Box 1087
Vernal, UT 84

Dear Mr. Smith:

Enclosed is Metcalf Archaeological Consultants, Inc. (MAC) report covering the cultural resource inventory for the Snyder Ute #26-6-b well pad and flow line project on the Uintah & Ouray Indian Reservation, Uintah County, Utah. No cultural material was discovered during this inventory. Since construction of this project will not impact any cultural resources, clearance is being recommended.

If you have any questions concerning this report or need further assistance please do not hesitate to call.

Sincerely yours,

Michael D. Metcalf
Principal Investigator

MDM/sjm

cc: Betsie Chapoose, Cultural Rights & Protection
Ferron Secakuku, Energy and Minerals
Dale Hanberg, Superintendent--BIA, Ft. Duchesne
Amy Huslein, BIA, Phoenix
Lisa Smith, Permitco, Denver



**Snyder Oil Corporation's Ute #26-6-B
Well Pad and Access,
Uintah County, Utah**

Prepared by,
Michael D. Metcalf
Metcalf Archaeological Consultants, Inc.
Eagle, Colorado

Prepared for,
Snyder Oil Corporation
P. O. Box 695
Vernal, UT 84078

Utah Project #U-9 -MM-0517(i)

September 1995

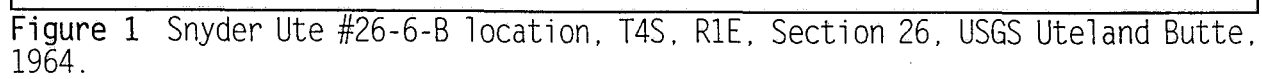
INTRODUCTION

Metcalf Archaeological Consultants, Inc. (MAC), conducted a Class III cultural resource inventory for a relocation of Snyder Oil Corporation's Ute #26-6-B proposed well pad, and access road on Ute Tribal lands in Uintah County, Utah. The well pad, which was originally surveyed by Brigham Young University (BYU), was moved approximately 300 feet westerly from its original location, and thus, the new pad lies outside the previous inventory area. A new ten acre block centered on the staked well location was surveyed (this area partially overlaps the BYU survey area), and a total of about 600 feet flowline in a 100 foot wide corridor was surveyed outside the 10 acre block. The access corridor is the same as that surveyed by BYU and it was not re-surveyed outside the 10 acre block. The proposed well pad center stake is located in the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 26, T4S, R1E, Uintah Meridian, Uintah County, Utah (Figure 1). The acreage inventoried for this project was ca. 11.4 acres.

This project is located on property administered by the Ute Indian Tribe, Uintah and Ouray Agency, Fort Duchesne, Utah. The survey was conducted on 30 August 1995, by Michael D. Metcalf who was accompanied and assisted by Ute Tribal Technician, Leo Tapouf. All field notes and maps are on file at the MAC office in Eagle, Colorado.

STATEMENT OF OBJECTIVES

Following the mandated policies implementing the National Historic Preservation Act of 1966 (NHPA [Public Law 89-665]), as amended, this project was inventoried to locate any cultural resources within the potential area of effect. Any discovered cultural resources were to be evaluated for eligibility to the National Register of Historic Places (Register). To be eligible for the National Register, the resource must retain essential aspects of integrity and meet one or more of the Criteria for Eligibility (36 CFR §60.4). For archaeological resources, eligibility is typically recommended under Criterion d, on the basis of the information potential of surface artifacts and features, and intact sub-surface cultural deposits. Historical resources may be evaluated under any of the four Criteria on the basis of information potential or significant historic associations. Under Ute tribal policy in effect at the time of survey, any aboriginal cultural resource that may be impacted by the proposed undertaking is to be avoided, regardless of the evaluation of eligibility. Subsequently policies were developed for minimizing impact to non-significant sites that could not feasibly be avoided.



ENVIRONMENT

This project is located in the southern Uinta Basin south of Leland Bench. This is an area of highly dissected ridges and benches at the rim of a broad structural bench (Leland Bench). This broken country is composed of narrow finger ridges and gently sloping benches cut by numerous deep ephemeral draws. The well pad is located on in an open sheltered flat on the east side of a sandstone finger ridge that also wraps around the north side of the survey area. The finger ridges are part of a highly dissected ridge complex to the south at the rim of Leland Bench. The nearby benches are formed on sandstone shelves extending from higher ground to the south. Several ephemeral drainages flow from west to east through the survey area. To the north is a wide shallow drainage basin dissected by numerous deep ephemeral drainages flowing eastward. Pariette Draw is located over two miles to the south. To the north is the gentle east sloping drainage basin of Leland Bench. Uteland Butte is several miles to the southeast and the Pariette Draw valley is to the south and west.

Local vegetation is a very sparse shadscale community dominated by shadscale saltbush and sparse bunch grasses. There is very sparse vegetation cover, leaving most portions of the survey area barren, and ground surface visibility is excellent. Local bedrock is predominantly older Quaternary alluvial gravel deposits mantling sandstones and siltstones of the Eocene age Uintah Formation (Hintze 1980). This formation sometimes includes vertebrate fossil remains, and turtle remains were observed in the survey area. The soils are a very thin residual brown sand and cobble gravel desert pavement. No Holocene deposits are evident within the study area, and there is no potential for buried cultural deposits.

FILE SEARCH

A files search was conducted through the Division of State History in Salt Lake City. These file searches indicated that three projects have been conducted near the current study area. In 1986 Utah project #86-AF-826 was submitted for work conducted in the east half of the section. In 1987 AERC performed a cultural resource evaluation for the existing well location and access route to the north of the survey area. Also in 1987 a cultural resources evaluation of two seismic line corridors in Leland Bench-Pariette Draw locality was performed by AERC. MAC has also conducted survey of several well pads in the vicinity, and has recorded several prehistoric sites, but none are close to the current project area. Most important to this project is the inventory performed for the previous location of this well pad. This survey was conducted by Lane Richens of BYU in April of 1995 (Richens 1995), and covered both the well pad and an access road. Although the well pad has been moved, the main part of the previously surveyed access will be used for the current well location. No cultural resources were recorded by BYU in their survey area.

FIELD METHODS

The ten acre area surrounding the well pad center stake was surveyed by a series of parallel pedestrian transects walked in an east-west direction at approximately 15 meter intervals. The pipeline corridor outside the ten acre survey block was inspected using parallel pedestrian transects, one on each side of the staked centerline. Each side of the centerline received total coverage amounting to 15 m (50 feet), for a total of 30 m (100 feet) survey corridor width. Special attention was paid to areas of enhanced subsurface visibility, such as eroded areas, rodent backdirt piles, road cuts and animal trails.

RESULTS

No cultural materials were found during this survey. Because there is no Holocene deposition in the project area, there is no potential for buried cultural remains.

RECOMMENDATIONS

Cultural resource clearance is recommended for the well pad and flow line corridor.

REFERENCES

Hintze, L. F.

1980 *Geologic Map of Utah*. Utah Geologic and Mineral Survey, Salt Lake City.

Richens, Lane

1995 A Cultural Resource Inventory of Snyder Oil Company Well Pads North of Pariette Draw, Uinta County Utah. Ms. prepared by Museum of Peoples and Cultures, Brigham Young University.

SNYDER OPERATING INC.

Ute Tribal #26-6-B

Section 26, NW/NE, T4S, R1E, U.B.& M.

UINTAH COUNTY, UTAH

SUPPLEMENTARY

PALEONTOLOGY REPORT

(NEW LOCATION)

BY

ALDEN H. HAMBLIN
PALEONTOLOGIST
235 EAST MAIN
VERNAL, UTAH 84078

SEPTEMBER 18, 1995

RESULTS OF PALEONTOLOGY SURVEY AT A NEW LOCATION FOR SNYDER OPERATING CO. UTE TRIBAL #26-6-B, NW/NE, T4S, R1E, UB&M, UINTAH COUNTY, UTAH.

It was recommended in the Paleontology report on the original location selected for Ute Tribal #26-6-B, that the location be moved, if possible, to avoid the paleontological resources discovered during the first paleontological survey.

The well center stake was subsequently moved 160 feet south and 35 feet east of the first center stake and the wellpad oriented north-south instead of east-west.

A paleontology survey of the second location indicated that this area was at a slightly higher level stratigraphically and that fossils were now limited to only a couple of eroding turtle shells and a few scattered pieces. The only additional mammal found with the new survey was along the new access road. The access road was moved to avoid this spot.

Recommendations for new location-

Construction of the wellpad and road at the new location should be monitored for paleontology. This is both for the protection of the known fossil sites near the proposed new location and to watch for possible new specimens that might be encountered during construction. Excavation at the north end of the new location may intercept the fossil mammal layer.

Fossil turtle shell material on the new location is of poor quality and preservation (due to weathering and erosion). This material could be salvaged by collecting it in bags and possibly donated to the Tribal Head Start program for teaching purposes (as opposed to being destroyed by construction). This could be done at the time of construction monitoring.

Care should be taken to avoid construction activities in the area of known fossil sites. Fossils should be protected from unauthorized collecting. Construction and Drilling personnel should be warned that this is Ute Tribal Land and that unauthorized collecting of anything off Tribal Land is illegal (ie. fossils).


PALEONTOLOGIST


DATE

SNYDER OPERATING INC.

Ute Tribal #26-6-B

Section 26, NW/NE, T4S, R1E, U.B. & M.

UINTAH COUNTY, UTAH

PALEONTOLOGY REPORT

BY

ALDEN H. HAMBLIN
PALEONTOLOGIST
235 EAST MAIN
VERNAL, UTAH 84078

SEPTEMBER 11, 1995

RESULTS OF PALEONTOLOGY SURVEY AT SNYDER OPERATING CO. UTE TRIBAL #26-6-B,
NW/NE, T4S, R1E, UB&M, UINTAH COUNTY, UTAH.

Description of Geology and Topography-

All Rock outcrops in this area are the upper part of the Lower Unit of the Uinta Formation (Upper Eocene), also known as "Uinta B". The Uinta Formation is primarily composed of fluvial deposits (stream laid) and is seen in the field as a series of interbedded sandstones and mudstones. Most of the sandstones represent paleostream channels and are usually lens shaped in cross section and shoe string-like horizontally. The mudstones generally represent over the bank deposits on ancient flood plains and quite often contain fossils. Fossils also occur in some of the sandstones.

The Uinta Formation is known for its fossil vertebrate fauna of mammals, turtles, crocodilians, and occasional fish remains. Plant fossils, though not common have also been found in the Uinta Formation. Occasional thin beds of limestone represent lake sediments. Invertebrate fossils such as ostracods and gastropods are common in these layers.

Ute Tribal #26-6-B is located in area of "badlands" on the south side of Leland bench approximately 13 miles south of Ft. Duchesne, Utah. Drainage is to the southeast and east. There is a low sandstone ridge north and west of the location. (Figure 1)

Fossil Material found-

Several spots of fossil turtle shell had been observed earlier by Leo Tapoof and others. These and other turtle shell fragments were quite numerous at the location.

During the paleontological survey of the proposed wellpad area, 10 fossil mammal sites were identified. These ranged from fragments of limb bones of a rather large mammal, to skull fragments and jaws of several small mammals, to several jaw fragments, and one site consisted of a patella (knee cap) of a mammal. Both perissodactyls (Odd number of toed ungulates) and artiodactyls (even number of toed ungulates) are represented. Figure 2 represents the fossil sites in relation to the well center stake.

Because of the high number of fossil mammal sites in this small area, the fossil locality would be rated as significant to critical in importance.

- Fossil sites-
- 1) Small Mammal - Skull & Jaws Fragments of *Protoreodon*?
 - 2) Large Mammal Limb bone fragments
 - 3) 1/2 X 1/2" Jaw fragment with tooth roots
 - 4) Jaw fragment with teeth - small mammal
 - 5) Patella (knee cap) of small mammal
 - 6) Small artiodactyl skull and jaw fragments
 - 7) Small perissodactyl jaw
 - 8) Skull & jaw fragments and vertebrae - small ungulate
 - 9) Several jaw fragments 1 X 1.5" of perissodactyla
 - 10) Jaw fragments with teeth - perissodactyl?

Recommendations-

The best recommendation for preservation of the fossiliferous area would be to move the well location if possible. The number of specimens found during the survey indicates that there is additional material in this area which would likely be destroyed by construction of a wellpad.

If moving the well location is not an option, then the material at the proposed location should be salvage collected and the site inspected more closely for additional specimens. Collection could take several people several days to do properly. Collected specimens would need lab preparation, identification, cataloguing, and storage in a museum (Utah Field House of Natural History).

Construction of the wellpad should be closely monitored and any additional specimens found be collected. It is also recommended that spoil piles from construction be checked after surface exposure and a period of weathering.

Robert H. Hamblin
PALEONTOLOGIST

September 12, 1995
DATE

| | | | | | | | | | | | | | | | | | | | |
|---|----|-----------|----------------|---------------------|--------------|-------|-------------------------------------|-------|-------|-----------------------------|-------------|---------|-----|------|-----|------|--|--|--|
| PALEONTOLOGY LOCALITY Data Sheet | | | | | | | | | | Page 1 of 2 plus maps | | | | | | | | | |
| | | | | | | | | | | State Local. No. 42UN9445V | | | | | | | | | |
| | | | | | | | | | | Agency No. | | | | | | | | | |
| | | | | | | | | | | Temp. No UTE TRIBAL #26-6-B | | | | | | | | | |
| 1. Type of locality Invertebrate | | | Plant | | Vertebrate | | | X | Trace | | Other _____ | | | | | | | | |
| 2. Formation: UINTA | | | | | Horizon: "B" | | | | | Geologic Age: Late Eocene | | | | | | | | | |
| <p>3. Description of Geology and Topography: All Rock outcrops in this area are the upper part of the Lower Unit of the Uinta Formation (Upper Eocene), also known as "Uinta B". The Uinta Formation is primarily composed of fluvial deposits (stream laid) and is seen in the field as a series of interbedded sandstones and mudstones. Most of the sandstones represent paleostream channels and are usually lens shaped in cross section and shoe string-like horizontally. The mudstones generally represent over the bank deposits on ancient flood plains and quite often contain fossils. Fossils also occur in some of the sandstones.</p> <p>The Uinta Formation is known for its fossil vertebrate fauna of mammals, turtles, crocodilians, and occasional fish remains. Plant fossils, though not common have also been found in the Uinta Formation. Occasional thin beds of limestone represent lake sediments. Invertebrate fossils such as ostracods and gastropods are common in these layers.</p> <p>Ute Tribal #26-6-B is located in area of "badlands" on the south side of Leland bench approximately 13 miles south of Ft. Duchesne, Utah. Drainage is to the southeast and east. There is a low sandstone north and west of the location.</p> | | | | | | | | | | | | | | | | | | | |
| 4. Location of Outcrop: Thirteen miles south of Ft. Duchesne, Utah. | | | | | | | | | | | | | | | | | | | |
| 5. Map Ref. | | USGS Quad | | UTELAND BUTTE, UTAH | | | | Scale | | 7.5 Min | | Edition | | 1964 | | | | | |
| S 1/2 | of | NW 1/4 | of | NE 1/4 | of | Sectn | 26 | T | 4S | R | 1E | Meridn | UBM | | | | | | |
| 6. State: UTAH | | | County: UINTAH | | | | BLM/FS District: VERNAL/DIAMOND MT. | | | | | | | | | | | | |
| 7. Specimens Collected and Field Accession No. Several fragments of an artiodactyla skull and jaws, and several pieces of a perissodactyla jaw with teeth (by permission from Betsey Chapoose and Leo Tapoof). | | | | | | | | | | | | | | | | | | | |
| 8. Repository: Utah Field House of Natural History | | | | | | | | | | | | | | | | | | | |
| 9. Specimens Observed and Disposition: Several spots of fossil turtle shell had been observed earlier by Leo Tapoof and others. These and other turtle shell fragments were quite numerous at the location. | | | | | | | | | | | | | | | | | | | |
| <p>During the paleontological survey of the proposed wellpad area, 10 fossil mammal sites were identified. These ranged from fragments of limb bones of a rather large mammal, to skull fragments and jaws of several small mammals, to several jaw fragments, and one site consisted of a patella (knee cap) of a mammal. Both perissodactyls (Odd number of toed ungulates) and artiodactyls (even number of toed ungulates) are represented. Figure 2 represents the fossil sites in relation to the well center stake.</p> <p>Because of the high number of fossil mammal sites in this small area, the fossil locality would be rated as significant to critical in importance.</p> | | | | | | | | | | | | | | | | | | | |
| 10. Owner: | | Private | | State | | BLM | | US FS | | NPS | | IND | | X | MIL | OTHR | | | |

11. Recommendations for Further Work or Mitigation: The best recommendation for preservation of the fossiliferous area would be to move the well location if possible. The number of specimens found during the survey indicates that there is additional material in this area which would likely be destroyed by construction of a wellpad.

If moving the well location is not an option, then the material at the proposed location should be salvage collected and the site inspected more closely for additional specimens. Collection could take several people several days to do properly. Collected specimens would need lab preparation, identification, cataloguing, and storage in a museum (Utah Field House of Natural History).

Construction of the wellpad should be closely monitored and any additional specimens found be collected. It is also recommended that spoil piles from construction be checked after surface exposure and a period of weathering.

12. Type of Map Made by Recorder:

13. Disposition of Photo Negatives: Slides in possession of Alden Hamblin

14. Published References: Hamblin, A.H., 1991, Paleontology Report for the Cultural Resource Component of the Natural Buttes EA Study area, Uintah County, Utah.

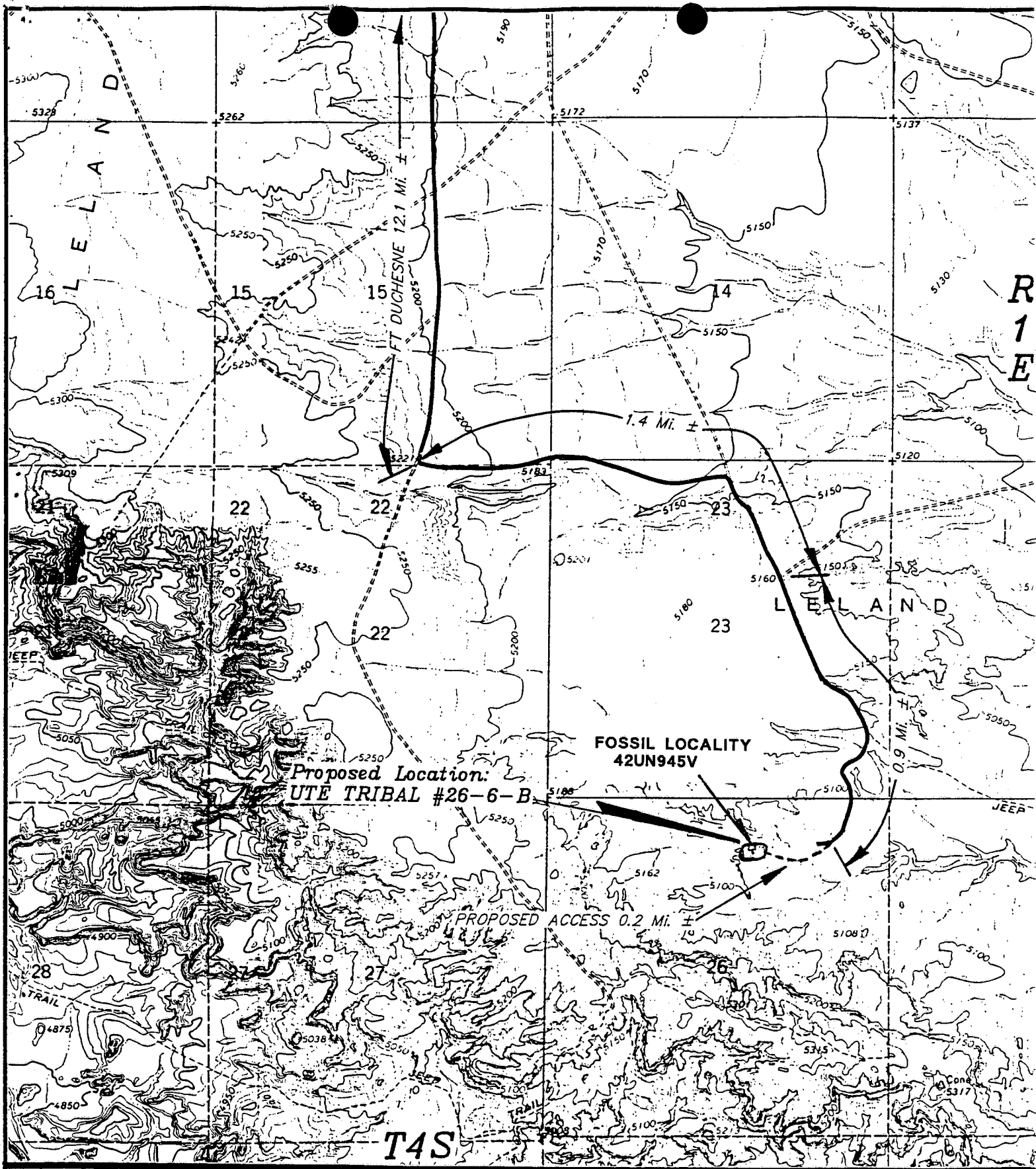
Hamblin, A.H., 1995, Paleontology of the Snyder Oil Corporation Leland Bench Environmental Assessment Study Area: for Mariah and Associates, Laramie, Wyoming.

15. Remarks:

| | | | | | | | | |
|-------------------------|----------|---|-------------|---|-----------|--|---------------|--|
| 16. Sensitivity: | Critical | X | Significant | X | Important | | Insignificant | |
|-------------------------|----------|---|-------------|---|-----------|--|---------------|--|

17. Recorded by: A. Hamblin / Leo Tapoof

Date: September 5, 1995



TOPOGRAPHIC
MAP "B"

SCALE: 1"=2000'

REVISED: 9-5-95 C.B.T.
DATE: 4/17/95 D.COX



SNYDER OIL CORP.

UTE TRIBAL #26-6-B
SECTION 26, T4S, R1E, U.S.B.&M.

FOSSIL LOCALITY
42UN945V

FIGURE 1

N

■ 6

■ 5

■ 4

■ 3

■ 9

■ 7

■ 8



CENTER STAKE

■ 1

■ 2

■ 10

SNYDER OIL UTE TRIBAL 26-6-B

FOSSIL MAMMAL SITES

42UN945V

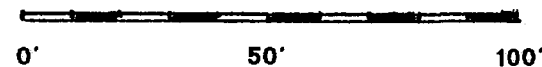


FIGURE 2

A Wastewater Permit Application will be filed with the Uintah Basin District Health Department in Vernal once the drilling contractor has been determined.



Permitco Incorporated
A Petroleum Permitting Company



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

UINTAH AND OURAY AGENCY

FORT DUCHESNE, UTAH 84026

(801) 722-2406 51/52/54

IN REPLY REFER TO:

Minerals and Mining

MINERAL ACCESS AGREEMENT ON INDIAN OWNED LANDS

Well No. 26-6-B

The purpose of this agreement is to regulate the surface development of Indian Lands which have been leased for oil and gas development. An approved agreement must be obtained prior to the commencement of any surface disturbing activity and will be in effect for the term of the lease and the agreed upon contractual provisions referenced therein, in not revoked under the terms in Item 4 of this agreement.

1. The authorized officer for the Bureau of Indian Affairs, in conjunction with the Indian Surface owner and Tribe hereby grants permission to:
- Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, CO 80202

To improve and/or construct and maintain a development corridor which may contain an access road, pipelines, powerlines, communication lines and well pads on the following trust land (reference lease number and legal description): 14-20-H62-4679
An access road located in the S/2 N/2 NE/4 and a 3 inch surface steel welded
pipeline containing all the oil, gas, and water to be located in the W/2 NE/4.

2. In consideration of the approval of this agreement, the above company agrees to adhere to all lease provisions, A.P.D. stipulations and regulations of the Secretary of the Interior now or hereafter in force relative to such leases.
3. The Company herewith submits an estimated surface damage fee in the amount of \$ ----, for ---- acres Pending Agency appraisal and the Affidavit of Completion.
4. This agreement will remain in effect unless revoked upon 30 days written notice by the Superintendent or the appropriate official, depending upon circumstances.
5. The permittee will submit a certified survey map of the proposed access road and/or well pad with this permit. The map must adhere to all specifications and requirements of the Branch of Minerals and Mining, Uintah and Ouray Agency, Bureau of Indian Affairs. Upon completion of construction, an Affidavit of Completion will be submitted by the company to certify that the construction completed was in accordance to the specifications certified to on the survey map accompanying this agreement.
6. The Company agrees to furnish a bond in the amount of \$ -----, or to utilize said company's existing Nationwide Oil and Gas Bond No. ----- to guarantee performance of this permit.
7. The Company agrees to contact immediately the Bureau of Indian Affairs (BIA) and the Bureau of Land Management (BLM), if cultural resources discovered during construction or anytime during the course of daily operations.

8. ADDITIONAL STIPULATIONS:

Signed on this 29 day of September, 1995.

WITNESS:

Joni M. Gruner

Lisa L. Smith

AUTHORIZED AGENT Lisa L. Smith

Snyder Oil Corporation

COMPANY NAME

1625 Broadway, Suite 2200

ADDRESS

Denver, Colorado

CITY/STATE

80202

ZIP CODE

APPROVED:

Superintendent

Date

SNYDER OIL CORP.
UTE TRIBAL #26-6-B
ROAD RIGHT-OF-WAY & DAMAGE AREA
SECTION 26, T4S, R1E, U.S.B.&M.

TOTAL ROAD RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 1,003.21' OR 0.190 MILES. WIDTH OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 0.691 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH }
COUNTY OF UTAH } SS

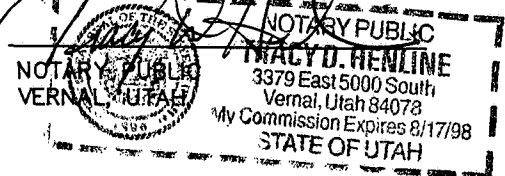
ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR SNYDER OIL CORP. THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE DAMAGE AREA AND ROAD RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.190 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP, IS ACCURATELY REPRESENTED.

Robert L. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161379
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 19 DAY OF Sept 1995.

MY COMMISSION EXPIRES Aug 17, 1998.

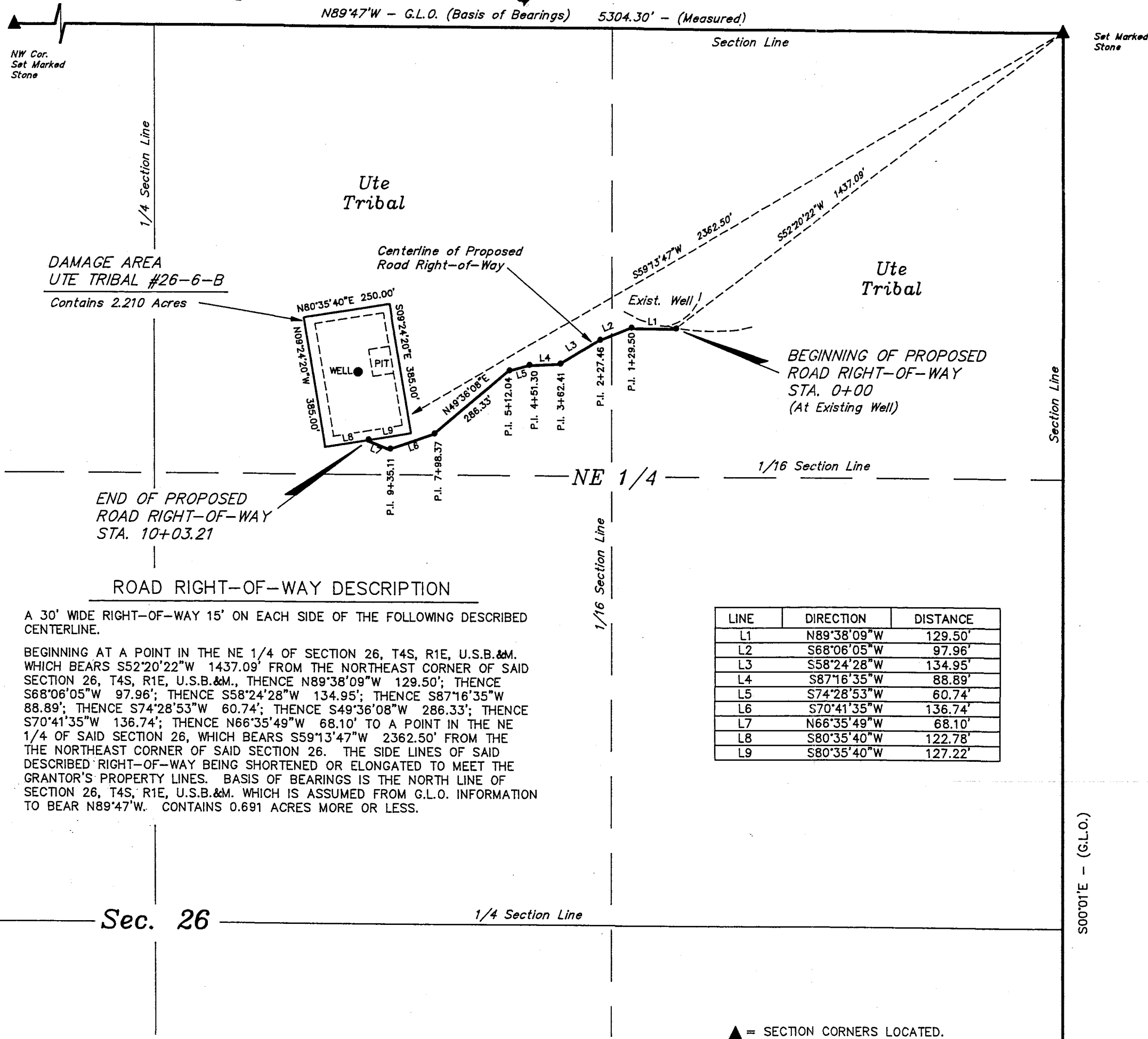


APPLICANT'S CERTIFICATE

I, LISA SMITH, DO HEREBY CERTIFY THAT I AM THE AGENT FOR SNYDER OIL CORP. HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS DAMAGE AREA AND ROAD RIGHT-OF-WAY, 0.190 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 10+03.21, THAT SAID DAMAGE AREA AND ROAD RIGHT-OF-WAY ARE ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.

Lisa L. Smith
APPLICANT

AGENT
TITLE

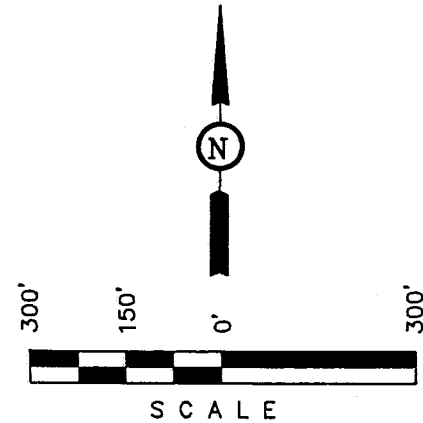


SNYDER OIL CORP.

LOCATION DAMAGE AREA
& ROAD RIGHT-OF-WAY
ON UTE TRIBAL LANDS

(For the UTE TRIBAL #26-6-B)

LOCATED IN
SECTION 26, T4S, R1E, U.S.B&M.
UINTAH COUNTY, UTAH



DAMAGE AREA DESCRIPTION

BEGINNING AT A POINT IN THE NE 1/4 OF SECTION 26, T4S, R1E, U.S.B.&M., WHICH BEARS S59°13'47"W 2362.50' FROM THE NORTHEAST CORNER OF SAID SECTION, THENCE S80°35'40"W 122.78'; THENCE N09°24'20"W 385.00'; THENCE N80°35'40"E 250.00'; THENCE S09°24'20"E 385.00'; THENCE S80°35'40"W 127.22' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS THE NORTH LINE OF SECTION 26, T4S, R1E, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N89°47'W. CONTAINS 2.210 ACRES MORE OR LESS.

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

| | |
|---|---------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH - 200 EAST • (801) 789-1017 VERNAL, UTAH - 84078 | |
| SCALE 1" = 300' | DATE 9-15-95 |
| PARTY D.A. N.H. D.R.B. | REFERENCES G.L.O. PLAT |
| WEATHER WARM | FILE 4 0 6 0 9 |

SNYDER OIL CORP.
UTE TRIBAL #26-6-B
PIPELINE RIGHT-OF-WAY
SECTION 26, T4S, R1E, U.S.B.&M.

TOTAL PIPELINE RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 715.76' , 43.379 RODS OR 0.136 MILES. WIDTH
OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE).
CONTAINS 0.493 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH }
COUNTY OF UTAH } SS

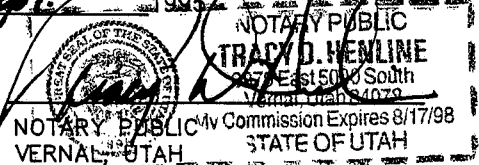
ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR SNYDER OIL CORP. THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION). THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE PIPELINE RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES AND THAT SAID RIGHT-OF-WAY, 0.136 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 1613
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 19 DAY OF Sept. 1998

MY COMMISSION EXPIRES Aug. 17, 1998

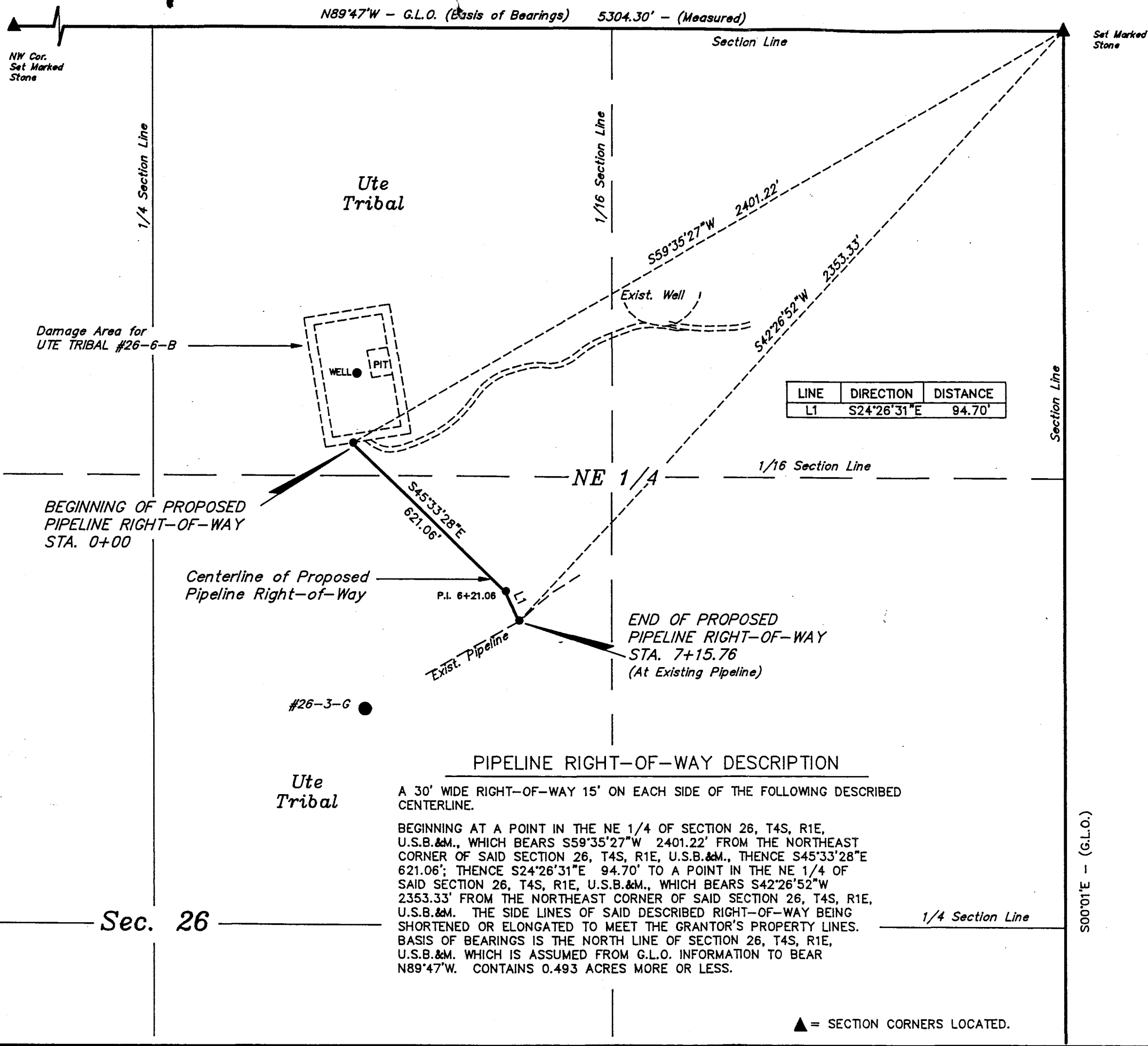


APPLICANT'S CERTIFICATE

I, LISA SMITH, DO HEREBY CERTIFY THAT I AM THE AGENT FOR SNYDER OIL CORP. HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS PIPELINE RIGHT-OF-WAY, 0.136 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 7+15.76, THAT SAID PIPELINE RIGHT-OF-WAY IS ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.

Lisa L. Smith
APPLICANT

AGENT
TITLE



NW Cor.
Set Marked
Stone

N89°47'W - G.L.O. (Basis of Bearings) 5304.30' - (Measured)

Section Line

Set Marked
Stone

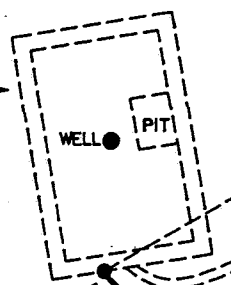
1/4 Section Line

1/16 Section Line

Section Line

Ute
Tribal

Damage Area for
UTE TRIBAL #26-6-B



Exist. Well

| LINE | DIRECTION | DISTANCE |
|------|-------------|----------|
| L1 | S24°26'31"E | 94.70' |

BEGINNING OF PROPOSED
PIPELINE RIGHT-OF-WAY
STA. 0+00

Centerline of Proposed
Pipeline Right-of-Way

P.I. 6+21.06

Exist. Pipeline

END OF PROPOSED
PIPELINE RIGHT-OF-WAY
STA. 7+15.76
(At Existing Pipeline)

#26-3-G

Ute
Tribal

PIPELINE RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

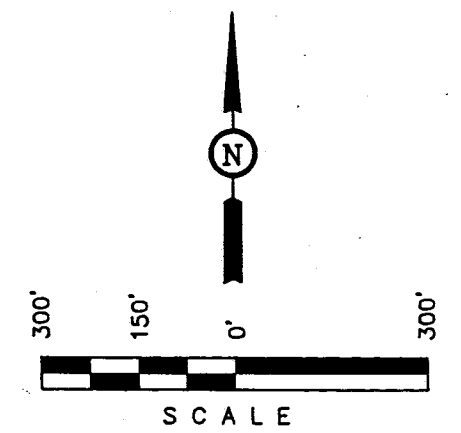
BEGINNING AT A POINT IN THE NE 1/4 OF SECTION 26, T4S, R1E, U.S.B.&M., WHICH BEARS S59°35'27"W 2401.22' FROM THE NORTHEAST CORNER OF SAID SECTION 26, T4S, R1E, U.S.B.&M., THENCE S45°33'28"E 621.06'; THENCE S24°26'31"E 94.70' TO A POINT IN THE NE 1/4 OF SAID SECTION 26, T4S, R1E, U.S.B.&M., WHICH BEARS S42°26'52"W 2353.33' FROM THE NORTHEAST CORNER OF SAID SECTION 26, T4S, R1E, U.S.B.&M. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS THE NORTH LINE OF SECTION 26, T4S, R1E, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N89°47'W. CONTAINS 0.493 ACRES MORE OR LESS.

1/4 Section Line

▲ = SECTION CORNERS LOCATED.

SNYDER OIL CORP. PROPOSED PIPELINE RIGHT-OF-WAY ON UTE TRIBAL LANDS (For UTE TRIBAL #26-6-B)

LOCATED IN
SECTION 26, T4S, R1E, U.S.B.&M.
UINTAH COUNTY, UTAH



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

| | |
|---|---------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH - 200 EAST • (801) 789-1017 VERNAL, UTAH - 84078 | |
| SCALE 1" = 300' | DATE 9-18-95 |
| PARTY D.A. N.H. D.R.B. | REFERENCES G.L.O. PLAT |
| WEATHER WARM | FILE 4 0 6 1 0 |

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/02/95

API NO. ASSIGNED: 43-047-32475

WELL NAME: UTE TRIBAL #26-6-B
OPERATOR: SNYDER OIL CORPORATION (N0860)

PROPOSED LOCATION:

NWNE 26 - T04S - R01E
SURFACE: 1019-FNL-2061-FEL
BOTTOM: 1019-FNL-2061-FEL
UINTAH COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: IND
LEASE NUMBER: 14-20-H62-4679

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /

| TECH REVIEW | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal [Y State[] Fee[]
(Number WY 2272)
N Potash (Y/N)
N Oil shale (Y/N)
Y Water permit
(Number TRIBAL ALLOTMENT)
N RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

____ R649-2-3. Unit: _____
____ R649-3-2. General.
Y R649-3-3. Exception.
____ Drilling Unit.
____ Board Cause no: _____
____ Date: _____

COMMENTS: _____

STIPULATIONS: _____

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

| | |
|----------------------------------|--------------------------------------|
| Operator: SNYDER OIL CORP | Well Name: UTE TRIBAL 26-6-B |
| Project ID: 43-047-32475 | Location: SEC. 26 -T04S -R01E |

Design Parameters:

Mud weight (9.80 ppg) : 0.509 psi/ft
 Shut in surface pressure : 2749 psi
 Internal gradient (burst) : 0.071 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

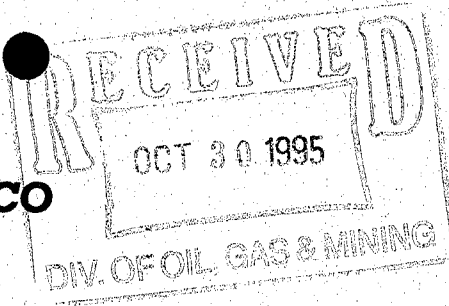
Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

| Length (feet) | | Size (in.) | Weight (lb/ft) | Grade | Joint | Depth (feet) | Drift (in.) | Cost | |
|------------------|---------------|-----------------------------|-------------------|------------------------|----------------------------|-----------------|---------------------------|------------------|--------|
| 1 | 6,275 | 5.500 | 15.50 | M-75 | LT&C | 6,275 | 4.890 | | |
| | Load (psi) | Collapse Strgth (psi) | S.F. | Burst Load (psi) | Min Int Strgth (psi) | Yield S.F. | Tension Load (kips) | Strgth (kips) | S.F. |
| 1 | 3195 | 6040 | 1.890 | 3195 | 7250 | 2.27 | 97.26 | 327 | 3.36 J |

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 10-31-1995
 Remarks :

Minimum segment length for the 6,275 foot well is 1,500 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 118°F (Surface 74°F , BHT 162°F & temp. gradient 1.400°/100 ft.)
 String type: Production
 The mud gradient and bottom hole pressures (for burst) are 0.509 psi/ft and 3,195 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)



October 26, 1995

Utah Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Attn: Frank Matthews

Re: Snyder Oil Corporation
Ute Tribal #26-6-B
1019' FNL and 2061' FEL
NW NE Sec. 26, T4S - R1E
Uintah County, Utah

Dear Frank,

As per our telephone conversation, please be advised that the above mentioned location was moved from a legal location to the footages shown above based on significant paleontology that was found on the original wellpad.

At the request of the BIA and the Tribe, the location was moved to avoid the paleontology. Snyder Oil Corp. is the lease holder of all acreage within a 460' radius of the above mentioned location and we are requesting that you grant administrative approval to this exception location,

If you should need additional information, please contact me at the number shown below, or Ms. Norma Amari of Snyder Oil Corp. at 303/592-8500.

Thank you for your cooperation in this matter.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Snyder Oil Corp.

cc: Snyder Oil Corp. - Denver, CO
Snyder Oil Corp. - Vernal, UT

Permitco Incorporated
A Petroleum Permitting Company



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

October 31, 1995

Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, Colorado 80202

Re: Ute Tribal #26-6-B Well, 1019' FNL, 2061' FEL, NW NE, Sec. 26, T. 4 S.,
R. 1 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32475.

Sincerely,

R. J. Firth
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

WAPD



Operator: Snyder Oil Corporation

Well Name & Number: Ute Tribal #26-6-B Well

API Number: 43-047-32475

Lease: Indian 14-20-H62-4679

Location: NW NE Sec. 26 T. 4 S. R. 1 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

CONFIDENTIAL - TIGHT HOLE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

Form approved
Budget Bureau No. 1004-0136
Expires August 31, 1985

RECEIVED
NOV 03 1995
DIV. OF OIL, GAS & MINING
PLUG BACK

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

1b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐ OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-4679

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Utah & Ouray Ute

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Ute Tribal

2. NAME OF OPERATOR

Snyder Oil Corporation

303/592-8500

1625 Broadway, Suite 2200

Denver, CO 80202

3. ADDRESS OF OPERATOR

PERMITCO INC. - Agent

303/452-8888

13585 Jackson Drive

Denver, CO 80241

9. WELL NO.

#26-6-B

10. FIELD AND POOL OR WILDCAT

Unnamed

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At Surface

1019' FNL and 2061' FEL

At proposed Prod. Zone

NW NE Sec. 26, T4S - R1E

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Sec. 26, T4S - R1E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approx. 14.4 miles southeast of Ft. Duchesne, UT

12. COUNTY OR PARISH

Utah

13. STATE

Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

1019'

16. NO. OF ACRES IN LEASE

560 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL,
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

Approx. 950'

19. PROPOSED DEPTH

6275'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5079'

22. APPROX. DATE WORK WILL START*

Upon Approval of APD.

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT/FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-------------|---------------|---|
| 12-1/4" | 9-5/8" | 36# | 300' | 225 sx circ to surf ✓ |
| 7-7/8" | 5-1/2" | 15.5# | 6275' | 675 sx suffic. to cover zones of interest. |

Snyder Oil Corp. proposes to drill a well to 6275' to test the Green River formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

Please be advised that Snyder Oil Corp. is considered to be the Operator of the above mentioned well. Snyder Oil Corp. agrees to be responsible under the terms and conditons of the lease for the operations conducted upon the lease lands.

Snyder Oil Corp. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Snyder Oil Corp. under their Nationwide Bond # WY-2272.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Dean G. Smith

Consultant for:
TITLE Snyder Oil Corporation

09/29/95

(This space for Federal or State office use)

PERMIT NO.

43-047-32475

APPROVAL DATE

APPROVED BY

James Fenzler

TITLE

ASSISTANT DISTRICT

DATE

OCT 26 1995

CONDITIONS OF APPROVAL, IF ANY

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any persn knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

DOGMA

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Snyder Oil Corporation

Well Name & Number: Ute Tribal 26-6-B

API Number: 43-017-32475

Lease Number: 14-20-H62-4679

Location: NWNE Sec. 26 T.04S R. 1E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at \pm 854 ft.. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to \pm 654 ft. and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.) shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

SURFACE USE PLAN OF OPERATION
Conditions of Approval (COA's)

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
2. All recommendations of the Bureau of Indian Affairs, combined site specific Environmental Analysis (EA) report shall be strictly adhered, during and after construction.
3. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
4. The personnel from the Ute Tribe Energy & Minerals Department should be consulted, should cultural remains from subsurface deposits be exposed during construction work.
5. All construction will be monitored by a Paleontologist, accompanied by a Tribal Technician. Prior notification to Ute Tribe Energy and Minerals required.

Mitigation stipulations from the combined site specific Environmental Analysis.

1. Before the site is abandoned the company will be required to restore the well pad and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

Although the road rights-of-way will be 30 feet wide, the graded area of the road will be limited in most places to 21 feet between the top of the cut and toe of the fill. Where deep cuts are required for road construction, or where intersections or sharp curves occur the road may be constructed wider than 21 feet so that large pieces of equipment will have enough room to make turns.

2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.
3. The reserve pit will be lined with an impervious synthetic liner.
4. The synthetic liner will be bedded with fine textured earthen material which is free of rocks. Straw may be used in addition to the earthen material, but not in lieu of it.

5. Use a metal or fiberglass tank in the place of an emergency pit for the production system.
6. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.
7. During construction of the well site a paleontologist shall monitor the area for paleontological resources. If any significant remains are located the Ute Tribal Cultural Rights and Protection Officer shall be contacted within 24 hours to consult with the paleontologist for mitigation.
8. The fossil remains which have been identified near the north east corner of the location shall be protected during construction by marking the remains with some steel posts and flagging.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84078-2799

Phone: (801) 781-4400

Fax: (801) 781-4410

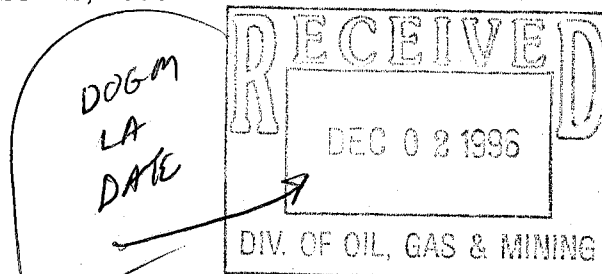
IN REPLY REFER TO:

3162

UT08438

November 26, 1996

Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, CO 80202



Re. Notification of Expiration
Well No. Ute Tribal 26-6-B
Section 26, T4S, R1E
Lease No. 14-20-H62-4679
Duchesne County, Utah

43-047.32475

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on October 26, 1995. Since that date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M
Snyder, Vernal Office